

## **Preamble.**

The article below originates from the personal experiences of the undersigned, Cees J. Verhagen, while stationed in Niihama, Japan from August 1977 till August 1978.

I was a member of a project team, which supervised the construction of Gusto designed cranes at Sumitomo Heavy Industries.

My specific orders were to observe the typical and specific Japanese issues within their organisation and during the realisation of the production of the above mentioned cranes.

## **Cultural differences.**

### **Introduction.**

This story covers a period of 1,5 years during which Gustorians were engaged to in providing supervision and inspection during the construction of the offshore cranes by the licensee Sumitomo Heavy Industries in Japan during the years 1977 and 1978.

In 1977 Gusto received the order for the supply of a 2000t crane for NOC. NOC stands for Netherlands Offshore Company. NOC had decided to have the semi-sub built in Japan. Subsequently Gusto decided to also have the crane built in Japan for reasons explained in Gusto's newsletter of April 1977.

As had happened before, Heerema, a competitor of NOC, was also eager to have offshore cranes built. During discussions with Gusto and in particular with Gusto's Sales Director at that time, Heerema decided not to purchase 1 semi-sub with 2 cranes, but 2 semi-sub with a total of 4 cranes. The pricing by the Japanese was the reason for this decision. So it happened that 3 semi-sub and 5 Gusto cranes were to be built in Japan.

The design of the cranes took place at Gusto's, whereas the procurement and production of the cranes took place in Japan. Gusto had made an alliance with Sumitomo Heavy Industries (SHI) with its plant in Niihama, Ehime Prefecture on the island of Shikoku.

The core project team consisted of three people; a Project Manager, an experienced hands-on man and an observer (the undersigned). Others, mainly engineers, were flown in from time to time. Their stay varied from 2 weeks to sometimes 3 months, depending on the subject they had to work on. They resided in the Kokusai Hotel in Niihama.



The Chief Designer also flew in on a regular basis.

In Asian countries and particularly in Japan, **loss of face** is a moral sin. To lose face is related to mutual respect.

Regarding the following in connection with respect and a lot will become clear on how to act in these countries.

## Experiences during building.

As a first example of **loss of face**, I would like to mention an occurrence at the beginning of Gusto's supervision in Japan during the construction of the cranes for semi subs Narwhal, Balder and Hermod.

It concerned the phenomenon "heel points", i.e. hinge point of the crane boom of the crane for NOC. Our Project Manager and Chief Designer when present, were bothered by the SHI chief designer on a regular basis concerning the design of the hinge points.

Piles and piles of computer calculations were presented. Every time we were asked to carefully study the calculations presented. Our response, of course, was: "We are doing things the right way; we can't find anything wrong".

But they were persistent: "Can you have a look again, please?" So at last it dawned on us that something in our design was wrong indeed. If I recall well it had something to do with initial bending due to the a-symmetric shape of the side walls of the hinge points.

Learned from the Japanese: If you observe a mistake do not say so outright, because that means **loss of face!** The right way is to hint your findings to the other party, so that he can check and rectify, if necessary.

This phenomenon was applied when, on behalf of Gusto, an engineer was sent to Hitachi Zosen for supervision and approval of drawings.

He applied things like: "Please have a closer look at this or that". That way he indicated that it was not wrong, but it there might be a better way.

When he used words like: "I strongly recommend to review this item", the Japanese did know something was wrong and a revised version was handed over.

The situation during the production of the rotating or slewing systems of the cranes was very different. Such a system consists of a slewing gear, upper and lower rails on the tub (fixed part on the vessel) and slewing drive units on the rotating part of the crane. When centering the fixed and rotating part, they are secured by a center pin with appertaining sliprings.

Aligning the center pin, upper and lower rails, slewing gear and drive units is an ultimate precision work.

Our experienced hands-on guy was of the opinion that the alignment was a simple job: Put the upper and lower rails at the pitch radius measured from the center pin. Subsequently use the center pin as a reference point for the rotating part and align the center of the slewing gear and drive units.

That done, put the slewing drives in place by controlled welding. Piece of cake at low costs.

The Japanese were of a different opinion. They had studied the concept of the slewing system and had installed a Jumbo Turntable to machine the tub with rails, slewing gear and the center pin in just one alignment. Imagine the Jumbo Turntable to be a kind of carousel lathe, whereby it is also possible to turn over the pieces to be machined. At the time an investment of 1.5 million DFIs.

Thus it was guaranteed that rails, slewing gear and center pin were square, respectively parallel to each other. And subsequently the slewing gear drive units also.

They stuck to their ideas. Our arguments, mainly based on experience ("we have always done it this way") did not guarantee more accuracy than their method. Above all, the investment had been made and if they were to give up their idea, somebody had to **lose face**.

The latter must have played a part.

Experience can also prove itself. Imagine the following: We were walking around the site and saw a plummet hanging from a construction. Our hands-on man saw it and mentioned: "That is not the way to do it. That plummet must be in a can of oil, otherwise the plummet is subject to the (weather) conditions." Problem: How to explain this when Japanese is the only language in which to communicate. It was very simple. We went into the machine shop, found a can and some thick oil and yep, back to the site. Found the crew, put the plummet in the can filled with oil and yes, it

worked. The plummet hung more quiet than before. Consequently: If you can teach by object, people will accept.

Another type of respect was among the Dutch.

The three families of the core project team were spending a very cosy Christmas Eve 1977 at the house of the Project Manager. At about 23.00 hrs the telephone rang. NOC's supervisor on the phone. He was doing trial runs on the winches (surprise, surprise) and the band brakes were getting dangerously hot, so could we come over. Our Project Manager did his utmost to handle the matter from a distance, but NOC's supervisor insisted that we should come and have a look. We ordered a taxi and went to SHI. When we arrived at the winch house the hands-on man was looking quite doubtfully: "What seems to be the problem anyway? I do not smell anything". Together with NOC's supervisor he approached the troublesome winch, spat on it and said: "Not even 100°C. No problem!! Why did you call?" No answer. No apologies from NOC. **Loss of face?** Never heard of it! From a technical point of view it may be explained as follows: The brake liner material is composed in a way that the friction will decrease gradually only when more than 200 °C. By spitting on the liner the hands-on man had just proven that it was still below 100 °C because the spittle was not boiling. Tip: At 50 °C you can still hold on to it, at 60-70 °C that will be a problem and when over 100 °C the spittle will sizzle. Easy!

There was also an occasion which I could not refer to as loss of face, although it did fit into the Japanese way of thinking with regards to respect. What happened was:

On a Saturday, during the testing period of the Balder in Tamano, a discussion took place between the SHI commissioning engineer and his crew. Location: the winch house of one of the cranes. One of our engineers and the undersigned were present.



The discussion was about rescheduling the work of that day. The crew was promised that after finishing the test run of the 1200 tons winch, they could go home. However, the 1200 tons winch was not ready for trials so the commissioning engineer proposed to run another winch instead. The crew claimed that the 1200 tons winch was explicitly mentioned and it was not ready! So .....

They were having high words and the commissioning engineer was not able to settle the matter. Our engineer was losing his patience and intended to intervene like a Dutchman would. I told him to wait and asked him whether he had noticed the presence of SHI's project manager in the back of the winch house? He was following the ongoing discussion closely. And yes, there came a point in time that the matter had to be solved. The SHI project manager approached the group, told them that the final result (going home) would be the same, gave orders and yes indeed, they did the job without further arguments.

Conclusion: Hierarchy in Japan is as follows: 1 and in first place: the samurai, the governors. Next on 2: fishermen, farmers and craftsmen and 3<sup>rd</sup> and last: the salesmen. The reasoning with respect to the latter two: fishermen, farmers and craftsmen do contribute to society and salesmen do nothing but selling. The top position is not to be discussed, because it still is a feudal system. In short: The SHI project manager, representing the samurai, had the power and used it. In this case there had to be a balance. The crew and the commissioning engineer tried to keep consensus, but the test program should not be delayed in the interest of the company.

From a professional point of view I was, as a planning engineer, quite interested in which automated planning system SHI would use. At Gusto automated computer systems were used from the early seventies, also for planning purposes. For planning a module within the Univac configuration was used. Later known as Projacs; an upgraded version of the Univac module.

I was amazed: The Japanese did everything manually! The explanation was simple: As long as people are not acquainted with and do not fully control the process, there is no need to automate. When you have full manual control over the system, automation is just pushing a button.

Completely different from the Dutch way: Buy it, use it and finding out yourself will do.

Furthermore: **loss of face** every time it does not work as anticipated.

**Thesis: If a person has raised himself above the group, he may lose face.** A group cannot lose face. That is why CEO's plead guilty in public, or jump from the 7th floor of a building.

A final and peculiar practical experience:

After the delivery of the Narwhal and Balder it was time for SHI to make a balance sheet, particularly for the additional costs. The pre-discussions were held between the two project teams, but the final decision had to be made by the top management. So our Sales Director came over to negotiate.

Gusto's point of view: above a certain amount there was no margin to further compensate SHI. The man responsible at SHI's had to go to his superiors and tell them so. This man resigned.

Our Sales Director felt sorry for his "counterpart" as – in hindsight – he should have given him a reason, e.g. that Gusto was willing to compensate, but the board did not allow him to do so.. It is like telling that your doctor told you not to drink and to use the doctor's advice as an excuse not to join in the drinking.

So far the experiences during the building.

## Daily life.

In other ways cultural differences may also be experienced. A few daily life examples.

Let us start at the beginning.

Supervision during construction is necessary. So a project team was stationed at Niihama under the responsibility of a Project Manager. The undersigned had been approached in April 1977 and was asked to join the team. In August 1977 it became reality.

I was allowed to take my family with me and so I went to Niihama, accompanied by my wife Elly and our one year old daughter Penny.

My family was lodged in Maeda House being a building consisting of 6 apartments in Western style. Distinction should be made. The Project Manager, i.e. the representative of Gusto, was stationed in a Japanese house.

During peak days the undersigned and his family, an American family, the Gusto hands-on man and his wife, a superintendent of Heerema and one of NOC and their wives, were stationed in Maeda House.

The wife of NOC's superintendent was pregnant. She came over from New-Zealand to give birth in Japan because a baby registered as born in Japan would look good. However, they were disappointed to learn that a husband is not allowed to be present at childbirth. Sorry!

The first experiences in Japan and with Japanese were very positive. We felt welcome and everything was well organised.

An SHI employee was assigned to assist us in any way. This person was a graduate from the University of Tokyo and had a degree in economics. He had to start this career from the bottom to get to know the company.

We learned that new-comers, especially those who would later be in high positions, had to start at a low level in order to learn which efforts they should demand from their subordinates in the future.

For our daily work we were accommodated on the SHI site, on the 3rd floor of an office building located near the water front.

We had to arrange our own transport to and from the yard. That is to say: either by bicycle (supplied by SHI) or by taxi, for which we received vouchers. These vouchers could also be used by our family members. To go by foot was also possible, however, we would have to buy our own (hiking) shoes.



The office was a rectangular room equipped with some desks with a view over the water front. A quartermaster had arranged the outfitting of the office prior to our arrival.

The first extreme difference in perception occurred when the quartermaster's wife accompanied him during leisure/business trips. One has to know that the Japanese society is strictly divided in a men's world and a women's world. So it is not appropriate for women to take part in visiting bars and the like. Japanese men drink a lot, have the attention of women not their own, and do have a lot of fun while being out. A Dutch lady in their midst was considered obstructive and made them feel embarrassed.

Our quartermaster was of the opinion that it should be no problem. Our Project Manager and the undersigned had a better understanding of the situation and I cannot recall any occasion of our wives ever being present at a men's leisure/business trip.

In Japan potatoes are considered to be vegetables. That is something Dutch people do not understand, as they eat potatoes as a filler for their stomachs. So when Gustorians were having dinner at the Kokusai's, they wanted to have "taxan" potatoes. "Taxan" means "many" in Japanese. The kitchen staff was stressed but they managed to satisfy the Dutch.

The special experience of getting a haircut was brought to us by one of our engineers.

On a Monday he told us that he had applied his karate skills at the barber's during the weekend. Karate skills? He did not have any such skills! He said that he'd jumped out of the barber's chair and was ready to fight after being hit in the neck. What had happened? Apparently not only washing and cutting hair was part of the treatment but so was a massage of neck and shoulders. This is done by hitting you hard in the neck with folded hands. When it happens to a cool Dutchman, he thinks: "What the f\*k"?

Oh, by the way, after getting a haircut and a massage your hair will be washed again in order to get rid of loose hairs. Neat, is it not!

On a very different level we also found something very strange. Sometimes you were invited to a Japanese home for a cup of tea. The experience teaches that a (one) cup of tea meant one cup of tea and nothing but **one** cup of tea. If you intended to stay longer the Japanese felt uneasy. Guests (travellers) were always welcome, were they not? So what was the case?

Through our SHI-assistant we discovered the following:

We had invited our graduate of General Affairs to accompany us for a leisure trip. Back in Niihama we invited him for a cup of coffee. After drinking the cup of coffee, better to say after drinking the **first** cup of coffee, he excused himself. I intended to use this excuse to find out the real reason for this behaviour. He was all by himself, so he did not have to justify himself. So I asked why and he said he had business to do at home. I did not accept the answer and asked him if he would like to have

another cup of coffee. He answered: "Yes, I would". Subsequently and not to let him lose face, I told him that in The Netherlands it was quite common to stay a little longer and to have a second cup of coffee. He accepted the offer. Afterwards I asked the reason for this behaviour as in our perception this kind of behaviour was not common.

He told us that guests were treated like kings but these guests also realized that the host or hostess could not always afford this. Guests always respected the invitation but with the understanding that breaching such kindness was not done. Maybe the host or hostess had to suffer afterwards.

Conclusion: Mutual respect and not doing it the Dutch way by staying a little longer, and maybe even have a drink and dinner.

A less pleasant experience was the contact with local mafia called "Yakuza". In the bar of Kokusai, Gustorians had made contact with the No.1 of Niihama. The contact was for real and not superficial. Two of the Gustorians even paid him a private visit. This was not appreciated by SHI and the Gusto Project Manager was called and SHI made him understand that such visits should be kept to a minimum, but preferably not to be continued; Sumitomo's name should not be connected to any illegal activities in any way.

The message was understood and acted upon accordingly. We received no further complaints.

And the importance of having a good reputation in Japan may be illustrated by the following:

On a Sunday I took a walk with our hands-on man. We were wandering in the outskirts of Niihama when the hands-on man said to me: "I forgot my alien registration card."



An "alien registration" is a document foreigners have to carry when they stay in Japan for a longer period of time. "Nothing we can do about that", I told him. Can you imagine what happened next? Yes indeed, we were stopped by two policemen. They didn't speak English, we didn't speak Japanese. Off to the police station where we were met by a sergeant. I showed him my "alien registration" and started some poor communication, including the words "no Americano" and "Hollanda" and last but not least the magical word: "Sumitomo". The sergeant relaxed .....! As a token of appreciation we took their picture and we left for home with a positive feeling.

That is what having a good reputation does for you.

Talking about "alien registration", it reminds me of the fact that my "alien registration" had been washed. How about this: the green plastic cover was still intact, but the rice paper inserts were a pulp. So, now what? Our graduate would take care of it. We had to go to city hall.

With the remains in an envelope as proof that it had really been washed, we went to city hall. No queue, no waiting time! "At your service" immediately. Finger prints were taken and the inlay typed out on a Japanese typewriter. These typewriters are special in the way that they operate like an



offset machine.

A symbol or letter is taken from a type case and by means of lever stamped on paper. About 1000 standard symbols are available. For family or city names they have even more symbols. Very special indeed.

All data supplied had to be verified and certified before I received the new registration card.

But this is not the end of the story.

What happened next was that city hall lost my finger prints! Our graduate informed me of the fact and mentioned that the civil servants would come to our office to solve the problem. And indeed, the civil servants arrive at our office with a box full of ingredients: ink, cleaner, towels and the like. They took my finger prints and went back to city hall. Problem solved and nobody mentions the occasion. It is a little bit like a Rolls Royce service.

## **Epilogue.**

In Asian countries “to lose of face” is still a moral sin.

In this respect Japanese will seldom use the word “no”. Saying “no” means loss of face, because you disappoint the other person or you cannot respond correctly or fulfill his request. Concerning the latter you might say that the wrong question has been asked. This phenomenon also explains children’s behaviour towards their parents when they have bad results at school, for their parents did everything to get them the best education possible.

In shops also they do not ‘recognise’ the word “no”. They will continue to look for “it” unless you give up. So to have a fruitful relationship it is very important to respect each other’s position.

Respect may serve as a synonym for “loss of face”. Show respect and you will be respected.

Do we, as a person, like to be ridiculed, even though we discard the behaviour by saying: “Ah, don’t worry so much”?

One last example of Japanese behaviour. Apparently, in Japan, the wife selects the mistress for her husband. The reason is that she knows what he misses (at home). Besides the fact that the wife does not lose face, to me it meant that Japanese society is age-old - about 40 centuries – so that society has found a solution for every possible problem. Compare that to our Western culture which exists for only half that time and has always been exposed to external influences. On the other hand the Japanese have always lived on an island; literally and figuratively, either by force or by free will.

## **Final remarks.**

If we, Westerners, observe the Japanese society we may think that it is full of contradictions, consensus and power. In my opinion this is the result of the fact that their society is feudal, where - as a balance - consensus is in the “banner”. Hum .... this fits in the picture of an army (samurai) going to war carrying a banner with “consensus” as a mark. The system originates from survival of the strongest; a primeval law in nature! But any system, even a feudal system, has rules and .... a government.

Thesis: If you are not part of the system, how can you judge that system? In other words: How can you judge a culture if you are not part of that culture.

“Understanding” or “being part of” are two different things altogether.

Note: the above is a translation of the original document in Dutch.