

# HRD Interventions and Consequences in Japanese MNC'S in the Philippines and Malaysia

Raymund Sisenando R. MERCADO\*

## Abstract

*Human resource development is considered as one of the contributing factors to a country's economic development and global competitiveness. Studies and researches on human resource development focused on the global and regional level have proven that growth and development of developed countries and newly industrializing countries (NICs) is partly a result of sustained investment in human resource development interventions. However, there are limited studies on this specific issue that has been reported between companies in ASEAN countries.*

*This case study focuses on the human resource development interventions used by Japanese multi-national corporations in the Philippines and Malaysia in developing workers positive work values and practices such as teambuilding, education and training and other interventions. Hopefully, results of this study will help companies in Southeast Asia to enhance their*

---

\*Raymund Sisenando R. Mercado is a former Partner and Program Director of the Development Consultants for Asia Africa Pacific (DCAAP), a Manila-based international training and consulting firm specializing in human development management (HDM).

*workers' performance. The companies that are likely to benefit from the study are those in the ten ASEAN member countries.*

## **Introduction**

Globalization is accompanied by rapid changes in the economy and society of both developed and developing countries. These changes are further facilitated by advancements in information communication technology (ICT), developments in trade liberalization, and reduction of tariff and other trade barriers. Not known to many, globalization was already taking place during the early stages of internationalization of organizations. The final stage of internationalization is what we now call direct investments of foreign organizations into a host country through a multinational corporation (MNC). In its efforts to make production faster, cheaper and closer to customers, foreign organizations eventually decided to set up divisions or branches in other parts of the world or what we call MNCs. Thus, the development and nature of operations of MNCs is considered to be contributory to the initial stage of globalization.

The establishment of MNCs has several favorable impacts to the host country, such as transfer of capital, technology, entrepreneurship, improvement of balance of payments, job creation, increase in career opportunities, improved competition and availability of products for local companies. However, there are also some criticisms against the MNCs such as the use of local financing instead of being used by local companies and making it difficult for local companies to compete. (Stoner, Freeman, and Gilbert Jr., 1995)

More important than the favorable impacts or criticisms is how MNCs positive management practices are imparted, then assimilated in the host country with a different set of work values and practices. Thus, one of the greatest challenges to MNCs is how to impart positive work values and practices in host countries in the ASEAN region.

This paper is a study of particular HRD interventions and results of Japanese MNCs in the Philippines and Malaysia. This will help us understand better how Japanese MNCs impart positive work values and practices in host countries in the ASEAN region.

## Review of Related Literature

There are some scholars, researchers and academicians in HR/IR that believe and put attention to culture as a variable that influence work values and practices such as former Dean Marie Aganon and former Dean Jose Gatchalian of UP SOLAIR.

Some of them contributed results of their study in a research project funded by the Japan Foundation and conducted by faculty and staff of the University of the Philippine School of Labor and Industrial Relations (UP-SOLAIR). Although the objective of the study was to analyze human resource practices in Japanese firms in the Philippines and compare them with the practices of Filipino-Chinese and Western owned firms also operating in the Philippines, results showed the high relevance of culture in influencing work values and practices.

A study on the relationship between culture and human resource management by Aganon (1994) concluded that culture to a certain extent influence human resource management. Some of the relevant specific results of her study in Japanese joint venture firms are the following:

1. Filipinos usually head Personnel or HRM Departments. Some hiring/recruitment practices undergo the usual process. However, in the final decision-making, it could be the friend, region-mate, *Kumpadre* (relative by virtue of one person's standing in as godfather or godmother to the other's child) or the family referral who is given the job.
2. Some firms set aside job description to practice job rotation or flexibilities in job content. Thus, jobs are designed for general tasks avoiding employees to limit their capability in performing other task/s.
3. Employees who trained in Japan improved their work levels, gained professional expertise, developed loyalty and personal character, and some even learned the Japanese language. However, trained employees tend to leave the firm after acquisition of skills.

Gatchalian (1994) suggest that culture could be a variable in the deviation or modification of established and universal HR/IR patterns such as:

1. Practice of hiring next-of-kin of current employees.
2. Reward and compensation systems is influenced by considerations of loyalty, dedication, and other interpersonal considerations between superior and subordinate.

Gatchalian also mentioned the controversy of culture's role in IR which seems to intensify the comparative, cross-cultural studies in non-Western developing countries.

Finally, the work mentioned several scholars and researchers such as Abegglen, Drucker, Jocano, and David who share the same view that cross-cultural experiences in the workplace is a result of different cultural values, norms and orientation of employees and management. Labor-management councils (LMCs) and labor-management consultation mechanisms (LMCMs) according to Gatchalian, could be used as social laboratories to observe the dynamics of cross-cultural interactions as they show unique HR/IR practices and patterns.

### **Japanese MNCs Management Practices**

In Asia, the country that is considered the most progressive is Japan. Most of the top ten MNCs in the world are Japanese corporations based on the 2003 five hundred global corporations published by Fortune Magazine. One of the reasons for the success of Japanese corporations could be attributed to Japanese MNCs management practices. (Dunung, 1995; Stoner, Freeman, and Gilbert Jr., 1995; Marx, Jick, and Frost, 1991; David, 1999) and other authors in the field of general and intercultural management describe some of these Japanese MNCs management practices on the next page.

1. Show concern for long-term implications of their decision and actions
2. Willingness to make current sacrifices for future benefits
3. Encourage subordinates to participate in decision making
4. Welcome and acknowledge suggestions from subordinates
5. Less likely to make quick and unilateral decisions
6. Communicate with subordinates in a more indirect and subtle way

7. Avoids embarrassing co-workers in public or in private
8. Get to know their co-workers
9. Show concern for the welfare of co-workers outside the workplace

Dunung (1995) added that Japanese are regarded as methodical and meticulous in their approach to most situations.

### **Work Values and Practices in Host Countries**

The practice of customs and traditions of some ASEAN host countries contribute to positive and negative work values and practices. These customs and traditions are somehow misused which becomes the source of negative work values and practices of employees. The customs and traditions, its positive effects and misuse are not intended to criticize any individual or group, gender, religion, race, nationality or country. Rather, the use of any information in this study is purely academic in nature and for the purpose of identifying HRD interventions that develop positive work values and practices.

In the Philippines, the customs and traditions that directly and indirectly contribute to positive or negative work values and practices are described below. Likewise, (Dunung, 1995) mentioned these customs and traditions.

One of these customs and traditions is the very close relationship with family, friends and community. It develops closeness, friendliness, cooperativeness and ease to get along with others in the workplace. However, there is a tendency to misuse this custom or tradition that result to extended vacation to enjoy other activities after attending family affairs such as wedding, christening, birthday, wake and burial, parties and other forms of get together during Christmas season.

The observance of religious activities is a Filipino custom or tradition that develops God fearing employees which contributes to awareness of some positive traits. However, it is also used as a reason to extend a vacation to enjoy other activities after attending fiestas or other religious activities.

It is expected and taught at an early age to show respect for seniority, authority, status and position. This develops

politeness, respect, willingness to follow superiors and look up to them as role models. However, this may also be the result of traits that are developed such as passiveness and submissiveness to those with authority and high status or position. Thus, the tendency for those who are unable to distinguish the misuse of this custom or tradition to simply follow and do work even if it is wrong.

Being fatalistic (come what may) as a custom or tradition somehow reduces stress/tension in the workplace. However, this also encourages workers to finish work quickly without determining if it is wrong or right which result to poor quality.

Not saying "No" directly is a common custom or tradition to avoid arguments, embarrassment and humiliating situations. However, this leads to confusion between superiors and subordinates because there is a tendency for a subordinate to accomplish work even if instructions are not understood or if the subordinate is not capable to accomplish a task.

Pressure of informal inter-personal relations or "pakikisama" is a predominant custom or tradition. This develops friendliness, cooperativeness and ease to get along with others in the workplace. However, its misuse leads to specific problems such as excessive drinking of alcoholic beverages, gambling and other vices, requesting for advance money to lend or repay a friend or neighbor.

Use of connections is helpful in providing ease of facilitating requirements and following procedures in other offices. However, it also pressures workers to commit violations in the code of conduct to favor repayment of personal favors.

Another predominant custom or tradition is the hesitation of asking questions for fear of being wrong or "amor-propio" (saving face). This also helps avoid arguments, embarrassment and humiliating situations. On the other hand, this makes it difficult for workers to tell the truth, and to seek assistance and follow instructions because of embarrassment.

The use of time freely or doing a task at a later time or tomorrow or "maniana" like the custom or tradition of being fatalistic reduces stress/tension in the workplace. Most of the time, this is also the cause of work delay.

The most evident result of habitual tardiness is late reporting which result to delays and not meeting deadlines.

Taking short naps or "siesta" helps in regaining strength and clarity of mind of workers but extending naps consumes productive time.

Some of the customs and/or traditions in Malaysia that are similar to those of the Philippines as mentioned by (Dunung, 1995) are enumerated below:

1. Fatalistic (Come what may)
2. Do not say "No" directly
3. Use of connections
4. Hesitate to ask questions for fear of being wrong or "amor-propio" (Saving face)

She also noted that Malaysian's were sometimes late for appointments although this custom and/or tradition is improving.

Both in the Philippines and Malaysia, it is observable that there is a tendency for some work values and practices to be misused instead of using and practicing them for the intended purpose.

In the case of the Philippines, another reason for the misuse of customs and/or traditions which result to some of these negative work values and practices is to escape the realities and hardships which is common among developing countries.

It can also be deduced that some of the differences in Japanese MNCs management practices with the perceived negative work values and practices of employees in the host countries could be some of the direct and/or indirect reasons for inefficiency, ineffectiveness, low productivity, poor quality and antagonistic relationship between management and employees in a MNC.

In effect, MNCs are compelled to develop interventions to impart positive work values and practices in host countries in the ASEAN region.

## **Suggested Interventions to Reduce the Gap**

There are several studies and initiatives designed to help MNCs management practices to impart positive work values and practices in host countries.

The most commonly used intervention is to start with an employee education program. The employee education program starts with senior managers and then proceeds to the whole organization. It studies culture and management systems to determine gaps and problems. They prepare an action agenda to address the gaps and problems. Finally, they follow-up by evaluating the effectiveness of the employee education program. (Cox Jr., 1995)

John Artise presented an intervention in 1999 at the Japan-America Institute of Management Science (JAIMS). He explained that application of management practices to be effective in a host country must undergo a series of progressive process of simulation and exposure to the culture and traditions of the host country. This was called "acculturation".

Jones et. al. in 1999 cited Philip Merry, managing director of Singapore's Center for International Business Studies believes that the ability to manage diversity will become the most important management skill in the 21<sup>st</sup> century. To be successful in helping MNCs management practices to impart positive local work values and practices in host countries, there should be an awareness of the Seven Dimensions of Culture. The Seven Dimensions of Culture below can help MNCs adjust to harmonize and impart positive work values and practices among Westerners and Asians.

1. Rules - MNC divisions or branches are expected to follow headquarter rules but particular cultures should adjust rules to suit local situations
2. Work behavior - individualistic for Westerners while Asians strive for harmony
3. Emotions - some are reserved while others freely expresses their emotions
4. Opinions - could be direct or diplomatic
5. Status - Westerners appoint base on "greatest career achievement" while Asian base on age



6. Control – Westerners “live as if they control their destinies” while Asians believes that religious beliefs play an important role in controlling destiny
7. Time – Synchronic people can do many things at the same time while sequential people do only one thing at a time

Based on the actual experience of Mr. Masaoki Kabayashi of Republic-Asahi Glass Corporation, he found a unique way to take advantage and develop something positive of Filipinos’ tardiness. He maximizes his waiting time by chatting with people for information and to build relationships (Jones et. al., 1999).

An extensive research work on cultural differences leads us to five value orientations below that could also help impart positive work values and practices. This is similar to the study of Philip Merry as cited earlier by Jones et. al.

1. Universalism vs. particularism (rules vs. relationship) – universalism states that what is good and right should always be applied while particularist believes that what is good and right depends upon the situation.
2. Collectivism vs. individualism – in collectivist cultures, organizations are used to give members meaning and purpose while in individualistic cultures, organizations are used to serve individual owners, employees and customers.
3. Neutral vs. affective – neutral cultures control their feelings while affective cultures show their emotions.
4. Diffuse vs. specific (strategies in getting to know other people) - in diffuse culture the one that has authority is respected in almost everything while in specific culture the one that has authority applies his treatment to subordinates in almost every situation.
5. Achievement vs. ascription (how status is accorded) - in achieving countries a person’s status is based on performance while in ascribing countries a person’s status is based on the loyalty and affection shown by others (Trompenaars, 1995).

In Motorola Korea Limited (MKL), they focused on the commonalities of management and employees instead of focusing on the differences to reduce gaps or problems in a diverse organization (Ahn Mi-Young, 1996).

There are several other tested interventions which were proven to be effective in how MNCs will impart positive work values and practices in host countries in the ASEAN region. However, this study concentrated on those interventions that would directly improve the knowledge, attitude and skills (KAS) of employees in a host country.

## **Human Resource Development (HRD) Interventions**

HRD interventions focus on interventions that improve the KAS of the employees or what we call "effects." Improvement in KAS will directly affect the performance of the employees to become efficient, effective, productive, have high quality work output and harmonious relationship with management or what we call "impacts." HRD interventions are considered by the author as one of the most effective interventions designed to help Japanese MNCs management impart positive work values and practices in host countries of the ASEAN region.

The following are some of the interventions that the author selected and considered as relevant to the expected purpose and effects of HRD interventions.

1. T-group- activities that provide experiential learning; i.e. group dynamics, leadership and interpersonal relations
2. Process consultation - activities conducted by a consultant to help employees perceive, understand and act on process events in the employees environment; i.e. leader and member roles, problem solving, decision making
3. Third-party intervention - activities conducted by a consultant as third party to help two members of an organization manage interpersonal conflict
4. Team building - activities to enhance the effective operation of teams; i.e. formal work teams, temporary task force teams newly constituted teams, cross - functional teams
5. Education and training - activities designed to improve knowledge, attitude and skills of individuals

6. Coaching and counseling - activities conducted by a consultant to explore alternative behaviors (French and Bell, 1995; Huse and Cummings, 1985)

## **Methodology**

To determine the HRD interventions and its results to the values and practices of employees and organizations or company, we conducted a case study of Japanese Electronic Component Manufacturer (ECM) management practices in the Philippines through interview with the use of an interview schedule and by using a questionnaire. While in Malaysia, we conducted a case study by using a questionnaire. We also clarified the background and objective of the study by phone with the respondents.

The location of the study was focused on 2 Japanese ECM at the outskirts of Manila and Kuala Lumpur. These ECMs are usually located in the technology parks (Techno Park) where most large manufacturing companies conduct their operations.

The unit of analysis was limited to ECMs that produce parts of a computer such as hard and optical disk drives, printed circuit boards, etc. Furthermore, these ECMs should be labor intensive with a minimum of 1,000 workers and above, and the type of work is procedural and/or routinary.

We were able to gather actual experiences and the response of 1 Assistant to the Senior Manager, 2 Human Resource Managers in the Philippines and 1 Manager and 1 Human Resource Executive in Malaysia. Actual names and companies were requested by most of the respondents to be kept confidential.

The research settled with the incidental or accidental sampling to satisfy the unit of analysis. ECMs that produce parts of a computer as a unit of analysis seem to have a very limited number in the Philippines.

## **Findings**

The following are the findings from the questionnaire and interviews with the Human Resource Manager and/or Executive of 2 Japanese Electronic Component Manufacturers (ECM) in the Philippines.

A Japanese Assistant to the Senior Manager working for two and a-half years in a non-unionized ECM with more than 3,501 employees observed that effective Japanese MNCs management practices could be attributed to punctuality and teamwork. On the other hand, the following are the observed work values and practices of employees that need improvement.

1. High rate and frequency of job hopping which causes 3-year projects to stop. The new employee that will manage or implement the project could not see the "big picture" on how to go about the project.
2. Local employees very seldom give feedback on work progress which makes it difficult to give guidance and monitor employees in accomplishing their work base on standards and deadline.
3. Habit of just saying "yes" even if deadline is not realistic. This delays other work that is dependent on the earlier work that was due.
4. In manufacturing, we follow Standard Operating Procedures (SOPs) with the use of an operations manual. Surprisingly, it is not followed. Employees work base on instinct called "mano-mano". There is always a tendency among employees to guess an easier way to produce a product similar to the standard way of producing a product. Based on observations, this work practice is high among male employees. The female employees tend to follow the same work practice but are much lower in number.
5. Employees just do their work without thinking of the implications to the work of others which causes delay.
6. Employees limit work responsibilities on those listed and written on their job description.
7. Difficulty in following the 5 S of Japanese Good Housekeeping (please see annex).
8. Keeps beneficial information for the organization to oneself as a secret because of professional jealousy or another person who is revealed the information might be the one to get promoted.

9. In Japan, employees go to work even on Saturdays and limit the use of their sick and vacation leave. In the Philippines, employees consume their sick and vacation leave because they think primarily that it is their right.
10. Habitual tardiness is a common practice among employees. This is the reason why it is difficult to make significant improvements in reducing tardiness.
11. The employees practice "*bahala na* " or come what may and "*mañana*" or do it tomorrow which results to poor quality.
12. The observance of "*amor propio*" or saving face makes it difficult to develop teamwork.

The Japanese Assistant to the Senior Manager mentioned the following HRD adjustments made by management to work harmoniously with Filipino employees.

1. Sharing reading materials and giving lectures to management on how to deal with Filipino employees.
2. Advising and spot orientation on how to deal with Filipino employees. He advised not to shout at Filipino employees in public so as not to embarrass the worker's "*amor-propio*" and to avoid grudges. Instead, to give professional advise in the meeting room.
3. Advising employees to follow company standards.
4. Conduct counseling and coaching through seminars and not on a one-on-one basis. He found that one-on-one counseling and coaching is not effective.
5. The Japanese assistant to the Senior Manager hopes to undergo a team building activity between Japanese and Filipinos. The objective of which is each to realize the weaknesses of the other and to realize good and realistic solutions. However, the coordinator who will conduct the teambuilding activity should have particularly good skills in facilitating the activity to meet the objectives. He has some hesitations because if the coordinator lacks facilitation skills and will not be able to achieve the

objectives, the team building activity might have a negative effect on the present employee and management relationship.

In general, the Japanese Assistant commented that:

*"It is difficult to have a significant positive change in the work values and practices of our employees. Our employees find an easier way to go around or bend the rule. They try to interpret the rule or find a way to do something as they like. If there is no rule, they make their own rule. As a result, our employees lack the understanding of the essence and importance of working as an organization".*

The HRD interventions resulted to organizational or company effectiveness and productivity on the following work values and practices of employees.

Table 1 Results of Employee Work Values and Practices as Perceived by the Japanese Assistant to the Senior Manager

HRD Interventions	Results on Employee Work Values and Practices
1. T-group	1.1. Increase in openness, receptivity and awareness 1.2. Open communication
2. Process consultation	2.1. Accepting responsibility for personal ideas and feelings 2.2. Being open to ideas and feelings of others and to one's own feelings 2.3. Experimenting with new ideas and feelings
3. Education and training	3.1. Improvement in managing interpersonal conflict 3.2. Improved technical skills
4. Coaching and counseling	4.1. Improvement in behavior

The Filipino HR Manager from the same ECM and working for 2 and a-half years observed that effective Japanese MNCs management practices could be attributed to punctuality, their methodical and meticulous approach to most situations and strictness in following protocols. She observed that use of time freely and verbal expressiveness are the work values and practices of employees that needs improvement.

She mentioned the HRD interventions and its corresponding results in Table 2. T-group, team building and coaching and counseling contributed to company effectiveness while process consultation, third-party intervention and education and training contributed to company productivity.

Table 2 Results of Employee Work Values and Practices as Perceived by the Filipino HR Manager

<b>HRD Interventions</b>	<b>Results to Employee Work Values and Practices</b>
1. T-group	1.1. Increase in flexibility in role behavior 1.2. Increase in openness, receptivity and awareness
2. Process consultation	2.1. Being open to ideas and feelings of others and to one's own feelings
3. Third-party intervention	3.1. Reduction in misperception
4. Team building	4.1. Improvement in accomplishing tasks
5. Education and training	5.1. Improved technical skills
6. Coaching and counseling	6.1. Improvement in behavior

Another Filipino HR Manager who had worked for 6 years in a different non-unionized ECM with more than 3,501 employees observed that effective Japanese MNCs management practices could be attributed to punctuality, their methodical and meticulous approach to most situations and patience in making decisions. She observed that absenteeism and/or extended vacation to enjoy activities with relatives, friends and community is a work value and practice of employees that needs improvement.

The HRD interventions implemented in their company and their corresponding results to employee work values and practices are found below. Like the first ECM, organizational or company results are effectiveness and productivity.

Table 3 Results of Employee Work Values and Practices as Perceived by another Filipino HR Manager

<b>HRD Interventions</b>	<b>Results to Employee Work Values and Practices</b>
1. Team building	1.1. Improvement in accomplishing tasks 1.2. Improved teamwork
2. Education and training	2.1. Improvement in managing interpersonal conflict 2.2. Improved technical skills

The following are the findings from the questionnaire and interviews with the Manager and/or Executive of 2 Japanese ECMs in Malaysia. These 2 ECMs are the counterparts of the 2 ECMs in the Philippines.

The Malaysian Manager had worked for more than 20 years in a unionized ECM with an estimated 1,001 to 1,500 employees. He observed that effective Japanese MNCs management practices could be attributed to punctuality and their methodical and meticulous approach to most situations. On the other hand, habitual absenteeism and use of time freely are the work values and practices of the employees that need improvement.

He mentioned the HRD interventions and results to employee work values and practices on the next page. All the interventions resulted to organizational or company productivity.

Table 4 Results of Employee Work Values and Practices as Perceived by the Malaysian Manager

<b>HRD Interventions</b>	<b>Results to Employee Work Values and Practices</b>
1. T-group	1.1. Increase in openness, receptivity and awareness
2. Process consultation	2.1. Being open to ideas and feelings of others and to one's own feelings
3. Team building	3.1. Improvement in accomplishing tasks
4. Education and training	4.1. Improvement in managing interpersonal conflict 4.2. Improved technical skills
5. Coaching and counseling	5.1. Improvement in behavior

A Malaysian HR Executive worked for 2 and a-half years in a non-unionized ECM which had an estimated 1,501 to 2,000 employees. She observed that effective Japanese MNCs management practices could be attributed to punctuality and their methodical and meticulous approach to most situations. She observed that absenteeism and/or extended vacation to enjoy activities with relatives, friends and community is a work value and practice of employees that needs improvement.



She mentioned the HRD interventions and corresponding results on employee work values and practices in Table 5. Like their counterpart ECM in the Philippines, the results of these HRD interventions contributed to organizational or company effectiveness and productivity.

Table 5 Results of Employee Work Values and Practices as Perceived by the Malaysian HR Executive

<b>HRD Interventions</b>	<b>Results to Employee Work Values and Practices</b>
1. T-group	1.1. Increase in flexibility in role behavior 1.2. Increase in openness, receptivity and awareness 1.3. Open communication
2. Process consultation	2.1. Accepting responsibility for personal ideas and feelings 2.2. Being open to ideas and feelings of others and to one's own feelings 2.3. Experimenting with new ideas and feelings
3. Team building	3.1. Improvement in accomplishing tasks 3.2. Enhanced interpersonal and problem solving skills 3.3. Improved teamwork
4. Education and training	4.1. Improved technical skills

## Conclusion

The process of globalization made it inevitable for foreign organizations to set up MNCs in ASEAN countries. As a result, MNCs need to make adjustments to harmonize with the work values and practices of employees of host countries in the ASEAN region because of differences. Most experts agree that the best way to adjust to harmonize with the work values and practices of employees is to operate globally but act locally (OGAL). This means that MNCs could expand operations in different parts of the world but must use local work values and practices to employees in the host country. This is ideal if the work values and practices of the employees in the host country are all positive. The work values and practices of employees in host countries

have positive effects. However, these work values and practices are often misused which result to direct and/or indirect negative work values and practices. This creates the differences between Japanese MNC management practices and employees work values and practices. From our case study, one of the contributing factors to minimize these differences as part of the globalization process is to apply HRD interventions such as T-group, process consultation, third-party intervention, team building, education and training and coaching and counseling. Thus, HRD interventions in MNCs proved to be successful in developing work values and practices (effects) and company or organizational effectiveness and productivity (impacts).

## Recommendations

There are several factors that contribute to positive work values and practices and organizational impacts. However, the author mentioned only those that are relevant to the purposes of this study.

1. Managers of Japanese MNCs and employees of host countries in the ASEAN region should undergo effective HRD interventions. Education and training which contain topics on awareness and value orientation on the culture, traditions, work values and practices in the country of both the managers and the employees should be included.
2. In conducting HRD interventions it would be best to focus first on the commonalities of management and employees and gradually improve on the differences. This could be a good approach in first, developing harmony between management and employees and later, once there is harmony, both management and employees should act together to settle and improve on their differences.
3. Managers must be sensitive to the culture and traditions of employees in the host country in imparting positive work values and practices. On the other hand, employees should be receptive in assimilating positive work values and practices from Japanese MNCs managers.
4. HRD interventions should be conducted regularly and sustained to consistently remind the organization to practice positive work values and practices.

5. Managers and employees should be informed about the positive results of HRD interventions to the employees and the organization. Hopefully, this will make them realize the benefits of HRD interventions to encourage them to help each other apply positive work values and practices.

## Annex

### 5 S of Japanese Good Housekeeping

1. Sort (Seiri) – Take out unnecessary items and dispose
2. Systematize (Seiton) – Arrange necessary items in good order
3. Sweep (Seiso) – Clean your work place
4. Standardize (Seiketsu) – Standardize process of sorting, arranging and cleaning
5. Self-discipline (Shitsuke) – Do things spontaneously as a habit without being ordered

## References

- Aganon, Marie E. 1994. "Human Resource Management: A Comparative Analysis of Japanese, Filipino-Chinese and Western Models in the Philippines," in Amante, Maragtas S.V., (ed.) Human Resource Approaches in the Philippines: Study of Japanese, Filipino-Chinese, and Western-owned Firms. Quezon City: CAP Printers.
- Ahn Mi-Young. February 1996. "Designing a Unique-Culture." World Executive Digest.
- Cox Jr., Taylor. October 1995. "Diversity Makes a Difference." World Executive's Digest.
- Cummings, Thomas G., and Christopher G. Worley. 2001. Organization Development and Change 7<sup>th</sup> ed. Ohio: South-Western CollegePublishing.
- David, Fred R. 1999. Strategic Management Concepts 7<sup>th</sup> ed. New Jersey: Prentice Hall.
- Doing Business Internationally: the Cross-Cultural Challenges Resource Book. New Jersey: Princeton Training Press. 1995.

Dunung, Sanjyot P. 1995. *Doing Business in Asia the Complete Guide*. New York: Lexington Books.

French, Wendell L., and Cecil H. Bell Jr. 1995. *Organization Development Behavioral Science Interventions for Organizational Improvement* 5<sup>th</sup> ed. New Jersey: Prentice Hall.

Gatchalian, Jose C. 1994. "IR/HR Communication Approaches Among Foreign Firms in the Philippines". Amante, Maragtas S.V., (ed.) *Human Resource Approaches in the Philippines: Study of Japanese, Filipino-Chinese, and Western-owned Firms*. Quezon City: CAP Printers.

Huse, Cummings F. and Thomas G. Cummings. 1985. *Organizational Development and Change* 3<sup>rd</sup> ed. Minnesota: West Publishing Co.

Jocano, Felipe Landa. 2000. *Work Values of Successful Filipinos*. Manila; Punlad Research House Inc.

Jones, Dr. Stephanie, Cecille Austria, Christine Ferreros, Lee Miller, Ahn Mi-Young (eds.). November 1995. "The Search for Cultural Fluency". *World Executive Digest*.

Marx, Robert, Todd D. Jick, Peter J. Frost. *Management Live: The Video Book*. New Jersey: Prentice Hall, 1991.

Stoner, James A.F., R. Edward Freeman, and Daniel R. Gilbert Jr. 1995. *Management* 6<sup>th</sup> ed. New Jersey: Prentice Hall.

Trompenaars, Fons. February 1996. "One Best Way of Managing?" *World Executive Digest*.

"'03 Global Five Hundred World's Largest Corporation". *Fortune Magazine*. July 21, 1003.

[http://bcj.co.jp/business\\_japan\\_101.html](http://bcj.co.jp/business_japan_101.html)

Japanese Assistant to the Senior Manager. Interview by author, October 7, 2003.