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### THE EXPERIENCE OF JAPANESE INNOVATIVE MANAGEMENT AND ITS IMPLEMENTATION CAPACITY IN GEORGIA

*In this article, experience of Japanese innovative management and its implementation capacity in Georgia was described.*

**Keywords:** innovative management, Japan, Georgia.



Japanese companies are working successfully in many countries. They invest investments in foreign countries, the latest technology and introduce new types of management systems which are popular in Japan. Japan as the country with scarce natural resources used effectively their human resources and able to be scientifically meaningful, proper management of the Second World War and the disastrous legacy of the country in a short period of unprecedented prosperity.

Japanese management has become valuable in the world and many foreign companies have started their management system and the introduction of transmission. Japanese innovative management imports supported the local governments, because in this way they were interested to perfect the local production, create new markets through the introduction of competitive products and contribute to the country's economic strength. These processes are carried out intensively in different countries.

In the process of globalization it is impossible without usage of innovative, existence of competitive enterprises and development of modern innovative management. The development of economic is depended on about how perfect and proven management systems implemented and managed business in Georgia. In this sense, the Japanese and the transfer of the management to adapt to Georgia significantly contribute to the development of business and economic improvement. The theme is not new to the world, but it is actual for Georgia. It's not long time as there is a variety of enterprises started to innovative management methods. They need to be further refined, and the continued introducing of new methods in order to establish itself the global economic system.

A lot of works were devoted to Japanese management issues in western scientific literature and over the years the debate over whether the Japanese management methodology borne in other countries.

The interest with Japanese management was particularly actual in the early nineties in Georgia. This was a time when Georgia had to choose their own model of development and its natural, that the interest in the management of the world's experience was high. This period was marked by high economic growth in Japan. Economies of many western researchers proved argumentatively that the such a high growth rate economic development was due to the special features of Japanese management. This situation was not left unattended by Georgian researchers' works.

Georgian economic idea and interest of the Japanese management researchers went into two directions: On the one hand, Georgian scientists studied managing of the State's management and observation on the effects of other countries. On the other hand, a special focus of the management of the human phenomenon of Japanese management. HR particularly noteworthy aspect of the professors found. I.Meskhia, G.Kupunia, M. Gugeshashvili, I. Masurashvili and others works, and the state and national level, it was studied by G.Jolia, E. Baratashvili, I. Bulia, I. Iashvili and others.

The researchers of Japanese Management pay a great attention of Japanese successful transfer to the organization and the organizational culture to transforming. In this regard, the Georgian researchers have interesting observations as well, particularly N. Paresashvili and K. Chitaladze point out that the globalization of the world economy and the instability of the managers working on the impact on both the internal and external factors. These are the main causes of changes in the organization. The changes are inevitable due to technological development and often act as the driving force behind its laws and regulations. The Georgian authors of the amendments to the methods of implementation divide into three categories: structure changes, technological changes and personnel changes. Also it is mentioned that the structure of change include any modification of the power hierarchy, coordination mechanism, the level of centralization, rights, obligations or other structural parameters. Technological change is the fulfillment of the work methods or devices used for modification. The staff changes include changes in staff relations and behavior.

Overall, it should be highlighted that the study of Japanese management in Georgia had fragmented nature and limited to the specific details of the census system. Japanese management was taken as a model but, not as that system, which would be applicable to the economic environment. However, the researchers feel that culture should have been the main axis, the base of which it would be possible to adapt the management of Georgia, the Japanese / checkout / use. Their work shows that the difference between the cultures of the Japanese management made the transfer possible barriers. They realized that a clear impact on the Japanese management to neighboring countries, which have had a kind of cultural proximity to Japan. General cultural phenomenon of great interest to Georgian researchers studying the subject as the main basis for the future management of the Japanese rely on the receptor country.

#### **Reviewing of innovative management founding aspects.**

The last decades of the world's leading governments, major business leaders, scientist, politicians are observing with great interest, introduced and learn business development reforms in Japan. It has established itself in the world, «The interest of Japanese phenomenon economic miracle, which is still not diminished. Japan is still successfully maintains absolute leadership in many high-tech fields. The country carried out a reasonable imitation of micro and macro economic transformation has brought a rise in such countries as Singapore, Thailand, Taiwan, South Korea, Malaysia, New Zealand, Hong Kong and China. Recently, more and more European and American governments are trying to encourage local firms and their leaders to learn about the peculiarities of the Japanese management and local circumstances have been relocated to the grounds of his time-tested methods of modern management.

The world economic and scientific circles no longer believe that the Japanese economic success is due to the historical accident, or their hard work and fanaticism, ethnic merits if the old traditions, etc.

The Japanese people's significant economic success and the achievements were explained by religious sentiments and ethnic traditions that it was justified that the Japanese of fanatic zeal be the main cause of high labor productivity. We believe that such views lack of information is the main cause.

One of the goals of the work is to scatter such beliefs, because such kind approaches is barrier of development of innovative manufacturing management in Georgia. Priori, biased, subjective approach, which is often the economy of certain circles rumors, prevent the enterprises management and prevents young managers deeper and study the Japanese production management have been well established, evidence-based management methods, its strategy and tactics, which in today's business reality production efficiency, raising labor productivity and increase the export potential.

The well-known scientist B. Milner believes that modern Japanese management system is the most flexible and efficient mechanism, which was formed after World War II the development of large enterprises in the conditions [1]. It points out that scientific and technological progress is accelerating and rising competition on the world market in terms of American and European business leaders to cross the methodological crisis management, which are revealed in the 70s and 80s. In this regard, the most important place in the Japanese production management experience, which is more fully utilized «human factor», is open to the creative possibilities. Because of advances in scientific analysis and management of modern Japanese life with the introduction of European and American firms are on the agenda, so that they can sustain a successful work of the internal and external markets.

In one of the USA Congress reports was made an analysis of the Japanese management, where it was mentioned: «Many aspects of the management of the Japanese system can be transferred to the USA, despite the different social conditions. Especially this applies to staff management methods, which is used to maximize the potential [2] of the people».

During the Second World War and the atomic bombing destroyed the country's government, was put forward by a small business to recover. Japan has since then unheard of, unprecedented success. In this country, the government and businesses close relationship stands out, which produces a significant economic impact on the kind of reforms and laws, which leads to the development of enterprises in the normal mode, a small business in overcoming the problem.

Japan is a country with little natural resources; it only survives their living in the country's export of high-quality products. According to data of 2014 Japan has the third largest national economy in the world after the US and China [3]. It is the world's fourth largest exporter and importer in the country at the same time. Japan's remarkable achievements in economic development are based on a unified management strategy, which is aimed at guaranteeing the development of the Japanese economy in its objectives in all areas. A famous Japanese researcher K. Ohmae notes: «Japanese management system is not a result of the Japanese tradition, but also a pragmatic mechanism that exists in just 35 years [4].

The great victory of Japan was the industrialization of the country's population policy implementation relatively full employment. They have selected the fields, where they could gain the initiative. By concentrating their forces and not dispersed to other areas. In this strategy, the tactical steps have been taken. Japanese imports were equipment and technology, after years of studying, observing, improving advanced technologies imported from other countries. They were not originally known as innovators, but also as a simulator. The best engineering

talent employed in factories, where all efforts were mobilized more product durability, reliability and quality to achieve, rather than to improve its design. The Japanese were able to be competitive in price and quality correlation gained a significant advantage in world markets. Japan has shown the world that the efficient production and quality control of advanced methods covered by the transportation and customs tariffs (constraints) in the costs of overseas markets. They have demonstrated that cultural barriers to be solved and successful enterprises are transferable abroad. Japan today is regarded as a symbol of quality in the world. If the Western European and American firms defects permissible limit values of the standards to measure: How many hundreds of defective products must be issued for every thousand pieces of the product, the leading Japanese firms for defective products must not exceed the number of units to 3.4 million in the finished product [5].

The current discussion on the topic in scientific society whether the Japanese management methodology borne in other countries should be remarked in the business world. Japanese researcher, Morishita said that the Japanese have created a unique, characteristic only for the management system [6]. According to Choudharis, only a few items of Japanese management can be considered a cultural-specific, while others can be regarded as universal categories, which are used by Japanese companies in various forms in many foreign countries [7]. Choudhari has said that the cultural-specific control elements cannot be moved to another country.

As a result of analysis of management systems in Japanese and American firms, Japanese researcher O. Askvini concludes that a significant share of the Japanese management methods has been moved to other countries [8]. From some works we find out cultural school followers argumentative critic, according to which long-term employment practices, workplace intensive training, horizontal management system frequent staff rotation and firm inside of the gradual promotion is not a tradition of cultural specifics on the planet, but has been developed by Japanese companies to rational experience and practice (Beechler S. 1994). For example, Beechler and Young remark that the Japanese management of transfer depends on changes of receptor country's economic environment and organizational characteristics. Important factors identified by local laws and regulations, local staff professionalism and other socio-economic factors.

Existing scientific studies major in terms of both disagrees: researchers of the group develops the idea that because the general staff management methodology and practice of human relations system that the economic environment is going on and it's a business relationship with the world is the same everywhere, or very similar, based on the Japanese management Move can easily be made in other countries. They note that if Japan in their own country from the US management of many items copied and subsequently the adaptation and development (for example, the quality of the band's first American enterprises have been developed, and after the second world war the Japanese companies have been developed, which makes Japanese management is one of the strengths), then why should it be a problem, other countries from Japan to the management of the respective elements. The second group of researchers in the opposite position (Hoque K., 1981). They argue that the Japanese management is part of the Japanese culture and because each country's unique culture, so it is difficult to move to a different culture and countries.

It is also taken into account all conditions to compromise decisions between these two extreme positions that it is totally impossible to transfer Japanese management in a given receptor country's economic development levels, political situation, regulatory standards, country's traditions and other differences, however the Japanese management elements can be successfully moved to another country and this success is even provided, which is closer to the cultural traditions of the country receptor Japanese culture.

Transferring Japanese management in Georgia creates methodological basics of cultural characteristics, which are determined by both the management culture. Hofstede describes a method for enabling (Hofstede Geert, 1994: 46). Geert Hofstede describes in his famous book «Culture and organizations: the sense of the mind», the management culture has divided several categories: 1) individual-collective culture; 2) power over the distribution of culture (power distance culture); 3) uncertainty avoidance cultures (uncertainty avoidance culture); 4) individual-collective culture, 5. Management masculine culture (masculinity culture); 6) management of feminine culture (femininity culture). By using them, he explored a variety of basic management systems, whether these systems it was possible to move to another country. He speculated that the leadership, motivation and decision-making principles of the universality of a foreign management elsewhere to be used, however, the transfer of their success or failure is due to the fact, if the managers of the cultural environment of the work place and how will they adapt to a given situation. Hofstede describes cultural dimensions, Georgia and Japan, and the similarities and differences in the management of the traditional experience of the comparison are necessary to identify each of the country's cultural properties.

**Conclusion.** All of the above discussion we can clearly see that as in Japan as in Georgia is characterized hierarchy of sharply higher premium rate for society by the distribution of power.

In Japanese organizations are not oppressed individual self-expression and the needs. On the contrary, it is deeply respected Confessional traditions, according to which, honesty, selflessness, respect loyalty and obedience to the head are fundamental values of (Hiromi Muto..1995). Collective community, kinship, family ties and the Japanese industrial layers as well for the support, which is characteristic of a clan society. W. Ouchis studies, Japanese companies with employees in the management structures of the clan systems are derived from

the company's work for the newly selected employees are well-socialized and because of the company's visions and approaches to respond to assimilate. New employees have to work in a familiar environment. For them it is not strange to recognize clan relationship between company leadership and commitment. The company does not need to control and supervision of a staff of daily effort is necessary, as they are doing what may be advantageous for the company to maximize the benefit. The company plays an important role in the survival in a competitive company for the benefit of dedicated service. Often such commitment goes scarifying service staff by refusing to return his personal aspirations.

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