

## Interview with **Professor Masahiro Abiru**

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### **Research Fields:**

Industrial Organization, Applied Microeconomics, Startup  
Business Strategy

<http://resweb2.jhk.adm.fukuoka-u.ac.jp/FukuokaUnivHtml/info/3397/R107E.html>

<http://www.venture.econ1.fukuoka-u.ac.jp/about/paper.html>

<http://breakthrough-asia.com/>

**Professor Abiru:** Thousands of companies are expanding to the rest of the world. But there's 0.5% of Japanese companies going out to develop the international market. This means Japanese companies are too slow to adjust to this mega trend.

Most Japanese companies do not have the urgency necessary to advance to another country nor invite people from foreign countries. This is a common situation in Fukuoka.

This happens because decision makers are my age. We have uncertainty about whether we have enough insurance and money. The future is slim and not so long for our age-group, maybe around 10 to 20 years and we may die. With so much uncertainty, it's difficult to take risks.

On the contrary, students go through another uncertainty. They have to graduate and find a job afterwards. They may have trouble finding job because the market is shrinking. They may wish to marry and raise a child in 10 years or so. In order to have a baby, you need to give them an education and raise them. In 30 years the market will be weaker still. Knowing the future is like this they need to be more aware about it and know how to approach that problem.

I am teaching students what needs to be done for the future. The basic idea is I try to help local companies to go to foreign countries, but they are quite timid and don't want the adventure.

So when it comes to foreign countries, they need to have a good partner. However they don't have a good partners. So what needs to be done?

My approach is that I focus on the foreign students at our university. We have entrance exam for the foreign students to test their Japanese proficiency. Our university, requires 2-kyu (second stage). This is not hard for Chinese and Koreans since our languages are similar. However for people from Malaysia and India, Japanese is extremely hard to pick up in such a short time. We have a very low number of their nationals. Japan, Korea and China have political problems, so Japanese companies are reluctant to go there.

I have MOU with various regional universities, for example last year I had MOU with University of Hong Kong and University of Cambodia. Next month I will be sending 14 students to Central Philippine University, and I will also be giving a lecture there in hopes to deepen the relationship with that country.

**Search Simple:** When negotiating salary, presenting your cv or credential, researching companies, where do students get career/guidance?

Is there demand for executive coaching, a video library or case studies, topics, advice and career guidance, for mid-career professionals in Japan? e.g. where you can access information on topics such as “cross cultural teamwork” or “buying a company” , “entering a new market” .

The premise for this and the bigger question that needs to be asked is: why aren’ t there more Japanese executives in regional or global positions, compared to other large Asian economies such as India or China?

It’ s quite striking the small proportion of Japanese executives on the world stage or regional stage. It’ s not because of pure talent or being or no drive/ambition. It made me to wonder whether coaching around attitude and mindset is one solution. The idea was sparked after learning that Kei Nishikori has a Taiwanese coach. The difference between rank 70 and 7 seems to be about mentality, not just gaining muscle or such. This concept may help Japan particularly in exporting talent. So, do you see a service for that kind of market? Do you see merit or opportunity there?”

A. Japanese mentality is not aggressive. So what we need to change is mindset. I travel many foreign countries and I felt Japanese approach of going out of the country is quite symbolic.

The restaurant is symbolic of [Japanese companies] going out.

The percentage of Japanese customers at Japanese restaurants in foreign countries will be half if the restaurant is really good. Same is true for other industries. If a Japanese bank has a branch in New York or Europe, they are only trading with other Japanese companies.

The reason I realized this was when I went to Belgium, in that case I wanted to ship my computer to Japan. I bought it for \$2000. First I went to a Japanese express and I was asked to pay \$1100. I went to many other local companies, and I found out if I ship from airport to airport it will only cost \$150. But many Japanese companies will pay other Japanese companies the larger amount since they do not want to communicate. So if you take this observation, you'll recognize that Japanese companies are trading with only Japanese companies. Without changing this mindset, Japanese cannot survive the international market. So for your case, you'll need to coach the Japanese their mindset of able to compete with other guys.

IT technology has developed so much, yet Japanese are afraid there because of the linguistic barrier. But some of this will be eliminated by the technology.

A good combination of technology and mindset will make it possible.

Most the Japanese companies do not have the urgent necessity to advance to another country nor invite people from foreign countries.

Many Japanese companies understand the benefits of globalization. But their executives may lack a compelling “globalization story” for employees—global goals, aspirations, and value propositions.

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