# The Impact of Corporate Culture on Public Relations in Japan: A Case Study Examining Tokyo Electric Power and Toyota

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Employing a case study approach, this article examines the impact of Japanese corporate culture on public relations crisis response, using Tokyo Electric Power's handling of the Fukushima-Daiichi nuclear power plant disaster in 2011 and Toyota's management of a brake recall issue in 2010 as examples. The article considers the country's traditional corporate culture norms, including governance, lifetime employment, hierarchy and information sharing. It also examines the evolution and current role of public relations practitioners and firms within this culture. Readers will discover:

- how local corporate culture can have a dramatic impact on public relations crisis response;
- why the public relations function in an open society must be more than a collecting and distribution point for C-suite communications;
- and how Hofstede's Cultural Index can be useful in illuminating potential challenges for public relations professionals woking in a multi-national corporation or organization

## INTRODUCTION

On 16 March 2011, during one of a series of press conferences at Tokyo Electric Power Company's (Tepco) headquarters in Tokyo, Japan, Tepco executives were taking questions regarding what was quickly becoming the world's second-worst nuclear power plant disaster, the Fukushima-Daiichi nuclear power plant. The crisis began on 11 March 2011, when the plant's units 1, 2 and 3 shut down automatically (units 4, 5, and 6 were previously shut down for scheduled outages) due to a magnitude 9.0 earthquake and subsequent tsunami off the eastern coast of Japan. Safety systems were compromised and the plant was proving to be a growing risk to area residents and potentially to a larger portion of the population.

When the executives reported at the 4:00 a.m. press conference that a fire had broken out at the plant's No. 4 reactor, a reporter naturally asked how the fire had begun, given that just the day before the company had reported putting out a fire at the same reactor. The executive answered: "We'll check. We don't have information here." Two hours later the executive team offered a response that seemed tardy and vague, causing a reporter to erupt, "You guys have been saying something different each time!" Another shouted, "Don't tell us things from your impression or thoughts, just tell us what is going on. Your unclear answers are really confusing!" <sup>1</sup>

This occurred days after Tepco's chief executive officer, Masataka Shimzu, tried to appease mounting criticism by issuing an apology in public, repeated in a corporate press release two days later. A reporter grilled executives at their next briefing.

"Are you apologizing because things have crossed a critical line?" the reporter asked.

"We simply realized that our apology was not enough and wanted to express the company's deep regrets," the Tepco official replied.

"I'm not asking you how you feel," the reporter snapped back. He demanded that the company stick to disclosing more facts and to take action.

However, during that briefing, Tepco officials lacked basic information, such as how many workers at the plant were being evacuated because of the explosion and fire.<sup>2</sup>

The inability of the utility to communicate to its audiences fractured trust and unleashed a storm of anger aimed at Tepco. Public complaints were flowing into the company's offices at the rate of 40,000 per day. Shimzu was hospitalized at the end of March due to "fatigue and stress." Scores of Tokyo police officers were assigned to guard the utilities downtown headquarters. A poll conducted by the Kyodo News Agency in late March found 47 percent of Japanese residents wanted all nuclear power plants shut down. Company officials saw their salaries – and home addresses – spread across the Internet.<sup>3</sup>

In glaring contrast in the public's eye were the heroic efforts of the workers risking their lives to keep the Fukushima nuclear power plant from completely melting down. Media accounts describe the workers as putting themselves in grave danger out of a sense of honor for their nation and deep concern for their countrymen.

Tepco's practices seem to be rooted in days gone by. As one author, speaking on corporate responsibility in general, put it:

"Business should by now understand that successful companies are those which are outward-facing and which understand not only who their audiences are, but also what they think and what they want. So why are companies so often surprised by controversy? Probably because they are used to rational decision making based on technical and scientific data. They fail to understand that an issue can be viewed in many different ways and that emotion is a powerful change-maker."<sup>4</sup>

A year earlier, Toyota President and CEO Akio Toyoda announced a recall of 437,000 Prius and other hybrid vehicles worldwide to fix a brake problem, the latest in a string of embarrassing safety lapses at the world's largest automaker. Once seen as a

trailblazer whose management techniques were models for others, the company fell on hard times. As a *Time* magazine writer noted:

"It's something more pernicious: the vapor lock that seems to have seized Toyota's mythologized corporate culture and turned one of the most admired companies in the world into a bunch of flailing gearheads."

Amid its technical woes emerged a persistent problem found in many Japanese companies, Toyota was caught, as *Time* described, "flat-footed by the spiraling public relations disaster as its global recall crisis worsened. Its chief waited weeks before giving his first full press conference." <sup>5</sup>

How is it possible that a major free-market utility operating nuclear power plants and the world's largest automobile company were so poorly prepared to communicate during a crisis where information is critical to allay fears and enlighten decisions? In these instances, and as is often the case in Japan, the answer is found in corporate culture. In Japan, corporate culture is changing, though as the Tepco and Toyota incidents serve witness, the change is coming slowly and often in the public spotlight.

#### METHODOLOGY AND IMPLICATIONS

#### Theoretical implications

A case study approach is employed in this article to identify the causes and challenges related to corporate culture and its consequences for Japanese businesses, particularly Tepco and Toyota. Examining theses crises from a case study perspective enables the researcher to focus on communication events in their real-life context. According to Daymon and Hollaway, this methodology provides a holistic view of the issue, while also focusing on relationships and connections. In addition, the case study approach enables one to explore the full complexity of these crises, while simultaneously providing a broad context for understanding how culture influences organizational operations.<sup>6</sup>

Given the global attention the Tepco and Toyota crises garnered, these case studies enable the researcher to analyze the corporate responses, ranging from press materials to comments made by company representatives. As a result, the primary sampling data is drawn from media sources, and then analyzed to determine how corporate culture influenced decision-making. Chen and Pearce (1995) explain the power in this approach, saying, "If communication is understood as historically and situationally contingent, case studies are the central feature of research, not an ancillary or means to something else" (p. 141). In other words, case studies, "explicate the richness and particularity" of a topic, and should be viewed "as *the* study in and of itself" (italics in original, p. 141).<sup>7</sup>

Mickey (1995, 2003) demonstrated that sociodrama, a symbol-based theory derived from symbolic interactionism, could be used by public relations researchers to

better understand how language enables publics to relate to an organization and to identify with the organization in a common drama.<sup>8</sup> Mickey (1995) explains, "We interact with one another through symbol. It is the symbol, mostly language, to which we give meaning. In the process we become part of a social order greater than ourselves (a family, a community, an organization)" (p. 9).<sup>9</sup> Sociodrama, then, provides a means to deconstruct and analyze the ideas within the communications messages of Tepco and Toyota.

### Japanese Corporate Culture

Corporate public relations and communication is a business practice that is supported by strategy and implemented by individuals. Unfortunately for many Japanese companies, neither strategy nor individualism is engrained in corporate culture. Writing in the mid-1990s, Michael Porter contended that Japanese companies rarely have strategies. Instead, he argued, Japanese companies found success through operational effectiveness (e.g., enhanced total quality control and continuous improvement). The lack of strategy in these firms is due in part to cultural barriers. He noted, "Japan is notoriously consensus oriented, and companies have a strong tendency to mediate differences among individuals rather than accentuate them. Strategy, on the other hand, requires hard choices."<sup>10</sup>

Perhaps that is why the overall performance of Japanese businesses is remarkably poor. Around two-thirds of all Japanese firms do not earn a profit (at least for tax purposes). More than a quarter of the companies on the Tokyo Stock Exchange had operating margins below 2 percent over the past decade. Corporate managers complain the younger executives lack assertiveness; the media describe these individuals in terms associated with cattle. Aiding and abetting this performance is a Japanese financial system that offers near-zero interest rates that even the governor of the Bank of Japan, Masaaki Shirakawa, acknowledges is undermining corporate performance.<sup>11</sup>

A deeper dive into Japanese corporate practices finds the underlying norms and practices inherent in the culture work against companies like Tepco and Toyota in situations that require prompt and meaningful communications. Here are a few examples:

## Lifetime Employment or Free-rides

To many workers, the offer of lifetime employment with one company may sound like a good idea. It also made sense to corporate Japan and was even validated during the country's economic growth through the early 1990s. (It should be noted that workers at that time faced a mandatory retirement age of 55, making "lifetime" a misnomer.) Lifetime employment combined with a seniority reward system was believed to:

- Enhance the development of long-term strategic planning,
- Build employee loyalty,

- Develop an internal labor market,
- Promote stable supplier-buyer relations,
- And encourage a sharing of knowledge and skills among employees.<sup>8</sup>

In 1971, Peter Drucker praised the country's managers in a *Harvard Business Review* article for the deliberate manner in which they puzzled through decisions, lauded their commitment to continuous working training, and found lessons in the way they mentored younger employees.<sup>13</sup>

But the system isn't just about strengthening the workforce; it also sustains it when business declines.

By law, employers can cut workers' hours but must pay at least 60 percent of their hourly wages during that time. In 2009, the government budgeted 60 billion yen, or about \$624 million, to reimburse companies for half of those payments. In March 2009, about 48,000 companies sought subsidies for 2.38 million employees, according to government figures.

That's why when Osaka, Japan-based High Metal company saw its sheet metal orders cut in half in October 2008, it never occurred to its executives to lay off workers. Because of government subsidies, workers closed the year installing rows of parsley, watercress and other plants. When sales at machinery maker Shinano Kogyo in central Japan plunged some 70 percent late that same year, the company started dispatching idle employees to sweep streets and pick up trash in the community, while remaining on the payroll.<sup>14</sup>

Still, Drucker over time reached the same conclusion that many executives in Japan have: today's global economy requires more flexibility in hiring people and in letting them go than the traditional system allowed.

When the economy goes into decline, the lifetime workforce appears to work against the Japanese economy, becoming a force against organizational effectiveness, imposing too much coordinated effort on middle managers behind the scenes, clouding strategy and creating free-riders.<sup>15</sup>

Indeed, this culture of lifetime employment and government subsidies masks the country's unemployment rate. When the Japanese economy suffered its worst contraction since 1955 in the first quarter of 2009, declining 15.2 percent on an annualized basis, a far smaller portion of its workers were laid off than in either the United States or the European Union. (Japan's unemployment rated in April 2009 was 4.8 percent, compared with 8.9 percent in the United States and Europe). Experts say that without government subsidies, Japan's unemployment rate would be as much as 2 percentage points higher.<sup>16</sup>

Japanese corporate culture is being forced to change -- to an extent. When Japan Airlines (JAL) slid into bankruptcy in early 2010, it got permission from the Labor

Ministry to slash pension benefits by up to 50 percent for its 24,000 current and former employees. A week later, Mitsubishi Heavy Industries said it wanted its workers and retirees to accept cuts to ease pressure on its pension plan, underfunded by 259 billion yen (\$2.8 billion). Japan's top 278 companies were a combined 21.5 trillion yen (\$230 billion) behind on pension funding in fiscal 2009, a 50 percent increase from the previous year.<sup>17</sup>

Five years ago, PBS characterized the change in this manner: "The way Japanese people gain employment, spend their careers, invest their money and plan for retirement is changing. The consensus of opinion among experts is that although change in the corporate culture of Japan will be slow, it is already taking place and it is necessary in light of the economic difficulties facing the government, companies and individuals alike."<sup>18</sup>

The Japanese see a possible impact on their work culture. "What's worse is the simple fact that companies are saying, 'we're not going to keep our promises,'" says Motohio Morishima, a professor of human resource management at Hitotsubashi University in Tokyo. That erosion of trust, Morishima says, could damage the competitiveness of Japanese companies, which tend to rely on shop floor employees to police themselves and refine work processes. "You've got to keep people on the front lines committed or the system is too risky," says Morishima. "There could be big problems."<sup>19</sup>

Lifetime employment may be a diminishing component of Japanese corporate culture, but its management structure, which in part shields executives from the public, still seems firmly in place, as the Tepco and Toyota incidents demonstrate. The lack of transparency which has been the hallmark of the two examples noted in this paper is no accident; Japanese executives willingly guard information at the expense of the corporation's reputation.

## Hierarchy and Information Sharing

Bloomberg News columnist William Pesek describes Japanese corporate culture and its personification in the public eye when he states:

"Japan is a terrific place to live. It's an efficient, clean, prosperous, welleducated and reasonably crime-free nation. Yet it is run by a generation of insular and barely accountable politicians, bureaucrats and executives with a poor sense of just how rapidly the world around them is evolving."<sup>20</sup>

These traits are characteristic of corporate cultures that Jerome Want categorizes as "Frozen" and "Bureaucratic."<sup>17</sup> In a frozen culture, where Want classifies power generation companies like Tepco, among other industries, common traits are:

- Gridlock and denial
- Obsolete missions and strategies

- Leadership that is authoritarian, not authoritative, and must be the source of all decision making
- Executive management that works with blinders on, negating the value of frontline management as well as rank-and-file workers

In this environment, decision-making suffers from paralysis as the chain of command is slow and executives are more concerned with face-saving than information sharing. In the case of the Tepco's Fukushima nuclear plant disaster, the Japanese Prime Minister Naoto Kan learned first about particular explosions at Fukushima not from company officials, but from watching television.<sup>22</sup>

Ironically, it's the cozy relationship between the Japanese government and companies like Tepco that allows this culture to thrive. It serves as a microcosm of what ails Japan as it embodies the incestuous ties between government and industry and an antiquated economic model. The Prime Minister's failure to nationalize Tepco reinforced the company's traditional business practices. Now, seemingly each day brings new disclosures about how Tepco doctored safety reports and underestimated risks all without holding responsible the company directors.<sup>23</sup>

The lack of transparency that has been the hallmark of the Tepco and Toyota crises is commonplace in Japan's corporate practice, a characteristic of Want's "Bureaucratic" culture. Such cultures are inwardly focused, they are prevented from responding quickly and effectively to crisis or changes in the external competitive environment. Corporate leadership is wrapped in a cocoon of bureaucracy to put more distance between itself and the company's stakeholders. In fact, thousands of companies hold their shareholder meetings on the same day in a ploy that limits the risk of probing questions from the floor.

Masaru Tamamoto, a professor of Asian and Middle Eastern studies at the University of Cambridge in Britain, commenting on the Tepco incident, states the handling of the crisis by Japanese government and corporate authorities is consistent with a culture that carefully guards information from the public and leaves decisions in the hands of anonymous bureaucrats. "The public lives this way every day, and that's the way things are," Tamamoto explains. "Even if you demanded the information, nobody has the information. Even the prime minister blurted out at one point that he didn't have the information."<sup>24</sup>

This behavior is easily contrasted with the U.S. handling of the Deepwater Horizon oil spill in the Gulf of Mexico last year. Even though government watchdogs were criticized for the accuracy of the information, the national incident commander overseeing the crisis provided daily televised briefings. A video of the oil leaking at the bottom of the gulf was displayed on the Internet.

Japanese corporate culture reflects community values in which perseverance, patience and self-control are emphasized, says Yoshio Sugimoto, an emeritus Professor of Sociology at La Trobe University. At schools, shops and stations, for

instance, it is routine for most Japanese to stand in queues in an orderly way, a practice that has been evident throughout the disaster areas. Such moral principles give priority to the collective and organizational interests of government ministries and leading corporations.

Sugimoto explains that closely knit and tightly structured, the ministry-industry complex is based on employees' quiet loyalty and devotion and consistent with the values of individual self-restraint and endurance. Virtually no voices of concern or dissent have been openly articulated from within this structure.

The information industry also falls in line. Though Japan's mainstream media organizations are independent and frequently critical of the Japanese government, they are in interdependent relationships in one important respect.

Japanese major media companies establish so-called 'reporters' clubs' based in government offices and industrial organizations at various levels, which strictly exclude foreign correspondents, freelance journalists, online reporters and other 'outsiders.' These exclusive clubs are the sites of official press conferences, government announcements and data dissemination, to which the newsmen and newswomen who do not work for major corporations are denied direct access.

As a kind of information cartel, reporters' clubs around the country receive financial support from government offices and often develop cozy relationships with them.

Far from open and competitive, Sugimoto states this structure has remained intact even during this disaster and has prevented foreign journalists, for example, from attending and raising questions at important news conferences. The Japanese public, as well as the international community, have been receiving information about the nuclear disaster in the context of this framework.<sup>25</sup>

### Public Relations Firms and Japanese Corporate Culture

Given that the role of public relations is to enhance an organization's relationships with its stakeholders, where is the profession when a Japanese corporation runs into trouble?

Japan's Gross Domestic Product (GDP) is about one-third of the United State's \$15 trillion GDP. Japan's advertising industry is proportionally about one-third the size of its U.S. counterpart; however, its public relations industry is less than one-tenth the size of United States'. More than a decade ago, Japan's Ministry of International Trade and Industry already had deemed the minuscule public relations presence as a critical situation: "far too few [agencies] for an economic superpower."<sup>26</sup>

Unlike Western culture, where stable public relations departments exist and practitioners work to earn a spot in the dominant coalition, the Japanese traditional

lifetime employment system means employees rotate in and out of the public relations functions as they rise in a company. While that suggests executives would have experience in this field and therefore value the function, public relations departments at most Japanese companies are merely collecting points for policies written in other departments. When a negative event happens, a press conference occurs where the chief executive bows deeply and takes the blame for the incident, often after a period of too long a silence.<sup>27</sup> In the cases of Tepco and Toyota noted here, apologies weren't enough.

On the counselor side, Japan's public relations agency sector has evolved from the one focused on an extension of the sales and marketing function in the 1960s and 1970s to one that had to address pollution and oil crisis issues in the 1970s and 1980s. As a result, social responsibility became a component of the PR function. In the 1980s, Japanese business expansion brought 15 foreign public relations firms to the country physically or in the form of joint ventures to provide services primarily to foreign firms doing business in Japan.

The 1990s brought consolidation in corporate communications departments, bringing all related functions into one office to handle publicity, as well as crisis management and media training. The two dominant Japanese ad agencies, Dentsu and Hakuholo, created bureaus by combining public relations and corporate identity divisions.

The recession of the 1990s brought greater attention to the public relations function as institutional investors began to pull money out of Japanese companies requiring those companies to turn to individual investors to fill the gap. By 2006, the Public Relations Society of Japan had more than 500 corporate members.

While the industry is evolving in Japan, in some ways it is working against the tide of Japanese corporate culture. Geert Hofstede developed five cultural dimensions that can illuminate public relations practice. When applied to Japan, here is the order of his cultural dimension index, from highest ranking to lowest:

- 1. **Masculinity index**: As it sounds, this indicates the degree to which a field is dominated by men. Japan is one of the most masculine societies in the world. However, in combination with their mild collectivism, one does not observe assertive and competitive individual behaviors which we often associate with masculine culture. Japan ranks highest in this index (95 on a 100 scale).
- 2. Uncertainty Avoidance Index: It indicates to what extent a culture programs its members to feel either uncomfortable or comfortable in unstructured situations. Unstructured situations are novel, unknown, surprising, different from usual. Uncertainty avoiding cultures try to minimize the possibility of such situations by strict laws and rules. At 92 on the Hofstede index, Japan is one of the most uncertainty avoiding countries on earth. This is often

attributed to the fact that Japan is constantly threatened by natural disasters from earthquakes, tsunamis, typhoons to volcano eruptions.

- 3. Long-term orientation index: Values associated with Long Term Orientation are thrift and perseverance; values associated with Short Term Orientation are respect for tradition, fulfilling social obligations, and protecting one's 'face.' Japan scores 80, making this quality its third highest in rank. In corporate Japan, we observe long-term orientation in the constantly high rate of investment in R&D even in economically difficult times, higher own capital rate, priority to steady growth of market share rather than to a quarterly profit, and so on. The qualities serve the durability of the companies.
- 4. Power distance index: The extent to which the less powerful members of organizations and institutions (like the family) accept and expect that power is distributed unequally. This represents inequality (more versus less), but defined from below, not from above. It suggests that leaders and followers endorse a society's level of inequality. Scoring 54, Japan only ranks lower in the Individualism Index. In Japan, all the decisions must be confirmed by each hierarchical layer and finally by the top management in Tokyo. Paradoxically, their slow decision-making process shows that in Japanese society there is no one top person who can make a decision like in more hierarchical societies.
- 5. **Individualism index**: The degree to which individuals are integrated into groups. On the individualist side we find societies in which the ties between individuals are loose: everyone is expected to look after him/herself and his/her immediate family. At 46, Japan's lowest ranking is in this index. Japanese society shows many of the characteristics of a collectivistic society: such as putting harmony of group above the expression of individual opinions and people have a strong sense of shame for losing face.<sup>28</sup>

Japan's high uncertainty avoidance and low individualism findings suggests that business leaders there are more likely to be intolerant of any deviations from the norms than there North American counterparts. Since deviants are not tolerated, membership in most organized groups in Japan is expected to be composed mostly of non-deviants in comparison to the United States.<sup>29</sup>

The indications to the public relations practitioner are that this is a culture not well-adapted to unstructured situations, such as crisis. Power is held closely at the top of the hierarchy and response times are slow. Individualism is not valued, so it would be difficult to voice opinions that run counter to the chief executive. Female practitioners would find it most difficult to advance in this culture. In all fields in Japan, not just PR, women hold 1.2 percent of the top jobs.<sup>30</sup>

### Corporate Governance and Talent Attraction / Development: Drivers of Change?

Whether or not the crisis events that damaged the reputations of Tepco and Toyota will have any impact on Japanese corporate culture is anyone's guess at this point in time. However, as this paper notes, there appears to be a willingness to make

concessions to tradition, adopt legislation requiring greater transparency and make corporate culture changes within organizations. It can be presumed that if any change is to occur, it will be driven in part, if not entirely, by the board room. Japanese corporate law is in transition, triggered by the Commercial Code and the Audit Special Exception Code that took effect in 2003. The reforms offer options for governance models for large corporations.

While this may ultimately lead some to converge towards Anglo-American corporate governance structure and norms, it remains to be seen if this will result in wholesale adoption of these norms. There is an open question as to whether some of these changes will result only in a shift in optics, as opposed to real change. It may be that the ultimate governance model takes the best elements of both styles. Such a model would allow Japanese corporations to compete internationally while retaining those elements of corporate community that have long been considered a primary objective of the social and economic life of Japan.<sup>31</sup>

If corporate governance doesn't drive change in Japanese corporate culture to make it more transparent, responsive and open to outside interests, perhaps the global demand for talent will have an impact. Japanese firms seeking to globalize their operations need to develop leaders who can achieve their missions in a diverse business environment across national borders, experts on human resources development told an 11 March 2011 symposium in Tokyo.

"Japan is a career breaker, not a career maker" is a phrase that has been used among Western business professionals for some time, but is now heard more frequently, said Reiji Otaki, a professor of the Graduate School of Commerce at Waseda University. "People think being involved in Japan does not add much to their career...In a 2008 survey, no Japanese companies were among the top 50 firms at which students in China would want to get jobs," noted Otaki.<sup>32</sup>

Sakie Tachibana-Fukushima, president of G&S Global Advisors Inc. and formerly regional managing director for Japan of Korn/Ferry International, the world's leading executive search firm, said it was only in the past few years that Japanese companies started to seriously consider developing leaders who can do the job in a global environment.<sup>33</sup>

### Culture Change and Communications

Communication alone is not the answer. The writer knows from experience that culture-change initiatives cannot be the delegated to Public Relations or Internal Communications departments. In 25-plus years of experience in the field, the author has participated in any number of culture-change efforts, locally and globally, from ramping up customer service to enhancing quality to making our company more "market driven." Most were fads that quickly ran a course once management moved on to the next initiative.

The value-added contribution of public relations is to provide an independent view to help shape the change initiative, and then provide the communications expertise to disseminate the change in a personal execution that includes all levels of management. Too often executive management learns of the latest culture-change trend and pushes the concept down to internal communications staffs to develop a "communications program" that will "engage and empower" employees. Unless the culture change program is directly attached to a business strategy with topmanagement involvement, the effort is essentially a waste of everyone's time and money. Worse, the frequency of such exploits ultimately diminishes the credibility of future programs that may actually work.

Judith Bardwick, in her book *Danger in the Comfort Zone*, offers an analogy that helps explain the impact of change as it transcends from the executive suite to rank-and-file employees. "The people at the top of the pyramid have to remember that an organization is like a pendulum. They're at the top of the pendulum, and the blue- and pink-collar employees are at the bottom," she explains. "As the pendulum swings, the top remains fixed while the bottom swings at its widest arc. Thus, people nearer the bottom are far more likely than people closer to the top to feel jerked around by things that are out of their control. Trust, therefore, is harder to create and sustain among that group." <sup>34</sup>

A clear role for public relations practitioners is to have a presence and an understanding of the audience all along this pendulum, providing input into the change strategy and developing communications programs that will effectively deliver the message credibly, honestly and personally. It is the only function that is equipped to do so. As Bowen points out:

"Public relations can add the greatest value in an organization when it provides an independent viewpoint in counseling the dominant coalition or in strategic planning and decisions making. The ability to provide an independent viewpoint is taken away when public relations is subsumed by marketing, legal, human resources, or other organizational functions."<sup>35</sup>

While Japan has been slow to develop public relations talent and to employ professional communicators, the demand for change is palpable. Salem states, "The process (culture change) is inherently interpersonal. Hiring people with basic communications skills and training people in these skills not only improves the chances for sustaining a vibrant organization, but it also assists people in the rest of their lives."<sup>36</sup>

Whether change is driven from inside or outside of corporate Japan remains to be seen. Absent some adjustment in Japanese corporate culture, the public at large and, in particular those in the practice of public relations, will see the results of the status quo whenever incidents like Tepco's and Toyota's transpire. As one practitioner put it:

"Here in Japan companies have for some time had problems because communications have been the last thing they think of," said Deborah

Hayden, a crisis management expert at public relations consultancy Kreab Gavin Anderson Japan. "This particular issue is a wake-up call for Japanese companies to actually consider planning and the strategic impact of communications. All companies are not as global as they think they are."<sup>37</sup>

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