

# John higgins assignment



**ASSIGN  
BUSTER**

Leonard Prescott, vice president and general manager of Weaver-Yamazaki Pharmaceutical of Japan, believed that John Higgins, his executive assistant, was losing effectiveness in representing the U. S. parent company because of an extraordinary identification with the Japanese culture, (Japan is shown in Map 2. 5. ) The parent company, Weaver Pharmaceutical, had extensive international operations and was one of the largest U. S. drug firms. Its competitive position depended heavily on research and development (R&D).

Sales activity in Japan started in the early 1930s when Yamazaki Pharmaceutical, a major producer of drugs and chemicals in Japan, began distributing Weaver's products. World War II disrupted sales, but Weaver resumed exporting to Japan in 1948 and subsequently captured a substantial market share. To prepare for increasingly keen competition from Japanese producers, Weaver and Yamazaki established in 1954 a jointly owned and operated manufacturing subsidiary to produce part of Weaver's product line.

Through the combined effort of both parent companies, the subsidiary soon began manufacturing sufficiently broad lines of products to fill the general demands of the Japanese market. Imports from the United States were limited to highly specialized items. The company conducted substantial R&D on its own, coordinated through a joint committee representing both Weaver and Yamazaki to avoid unnecessary duplication of efforts. The subsidiary turned out many new products, some of which were marketed successfully in the United States and elsewhere.

Weaver's management considered the Japanese operation to be one of its most successful international ventures and felt that the company's future

prospects were promising, especially given the steady improvement in Japan's standard of living. The subsidiary was headed by Shozo Suzuki who, as executive vice president of Yamazaki and president of several other subsidiaries, limited his participation in Weaver-Yamazaki to determining basic policies. Daily operations were managed by Prescott, assisted by Higgins and several Japanese directors.

Although several other Americans were assigned to the venture, they were concerned with R and held no overall management responsibilities. Weaver Pharmaceutical had a policy of moving U. S. personnel from one foreign post to another with occasional tours in the home-office international division. Each such assignment generally lasted for three to five years. There were a limited number of expatriates, so company personnel policy was flexible enough to allow an employee to stay in a country for an indefinite time if desired.

A few expatriates had stayed in one foreign post for over ten years. Prescott replaced the former general manager, who had been in Japan for six years. An experienced international businessman who had spent most of his 25-year career at Weaver abroad, he had served in India, the Philippines, and Mexico, with several years in the home-office international division. He was delighted to be challenged with expanding Japanese operations. Two years later, he was pleased with the company's progress and felt a sense of accomplishment in having developed a smoothly functioning organization.

Born in a small Midwestern town, Higgins entered his state university after high school. Midway through college, however, he joined the army. Because

he had shown an interest in languages in college, he was able to attend the Army Language School for intensive training in Japanese. Fifteen months later, he was assigned as an interpreter and translator in Tokyo and subsequently took more courses in Japanese language, literature, and history. He made many Japanese friends, fell in love with Japan, and vowed to return there. After five years in the army, Higgins returned to college.

Because he wanted to use Japanese as a means rather than an end in itself, he finished his college work in management, graduating with honors, and then joined Weaver. After a year in the company training program, he was assigned to Japan, a year before Prescott's arrival. Higgins was pleased to return to Japan, not only because of his love for the country but also because of the opportunity to improve the "ugly American" image held abroad. His language ability and interest in Japan enabled him to intermingle with broad segments of the Japanese population. He noted with disdain that U.

S. managers tended to impose their value systems, ideals, and thinking patterns on the Japanese, believing that anything from the United States was universally right and applicable. Under both Prescott and his predecessor, Higgins's responsibilities included troubleshooting with major Japanese customers, attending trade meetings, negotiating with government officials, conducting marketing research, and helping with day-to-day administration. Both general managers sought his advice on many difficult and complex administrative problems and found him capable.

Prescott became concerned, however, with the notable changes in Higgins's attitude and thinking. He felt that Higgins had absorbed and internalized the Japanese culture to such a degree that he had lost the U. S. point of view. He had "gone native," resulting in a substantial loss of administrative effectiveness. Prescott mentally listed a few examples to describe what he meant by Higgins's "complete emotional involvement" with Japanese culture. The year before, Higgins had married a Japanese woman who had studied in the United States and graduated from a prestigious Japanese university.

At that time, Higgins had asked for and received permission to extend his stay in Japan indefinitely. This seemed to Prescott to mark a turning point in Higgins's behavior. Higgins moved to a strictly Japanese neighborhood, relaxed in a kimono at home, used the public bath, and was invited to weddings, neighborhood parties, and even Buddhist funerals. Although Weaver had a policy of granting two months' home leave every two years, with paid transportation for the employee and his family, Higgins declined to take trips, preferring instead to visit remote parts of Japan with his wife.

At work, Higgins also had taken on many characteristics of a typical Japanese executive. He spent considerable time listening to the personal problems of his subordinates, maintained close social ties with many of the men in the company, and had even arranged marriages for some of the young employees. Consequently, many employees sought out Higgins in order to register their complaints and demands with management. These included requests for more liberal fringe benefits, such as more recreational activities and the acquisition of rest houses at resort areas. Many employees also

complained to Higgins about a new personnel policy, installed by Prescott, that involved a move away from basing promotions on seniority and toward basing them on superiors' evaluations of subordinates. The employees asked Higgins to intercede on their behalf. He did so, insisting their demands were justified. Although Prescott believed it was helpful to learn the feelings of middle managers from Higgins, he disliked having to deal with Higgins as an adversary rather than an ally.

Prescott became hesitant to ask his assistant's opinion because Higgins invariably raised objections to changes that were contrary to the Japanese norm. Prescott believed that there were dynamic changes occurring in traditional Japanese customs and culture, and he was confident that many Japanese were not tied to existing cultural patterns as rigidly as Higgins seemed to think. This opinion was bolstered by the fact that many Japanese subordinates were more willing than Higgins was to try out new ideas. Prescott also thought that there was no point in a progressive U.

S. company's merely copying the local customs. He felt that the company's real contribution to Japanese society was in introducing new ideas and innovations. Recent incidents had raised some doubts in Prescott's mind as to the soundness of Higgins's judgment, which Prescott had never questioned before. One example involved the dismissal of a manager who in Prescott's opinion lacked initiative, leadership, and general competency. After two years of continued prodding by his superiors, including Prescott, the manager still showed little interest in self-improvement.

Both Higgins and the personnel manager objected vigorously to the dismissal because the company had never fired anyone before. They also argued that the employee was loyal and honest and that the company was partially at fault for having kept him on for the last ten years without spotting the incompetency. A few weeks after the dismissal, Prescott accidentally learned that Higgins had interceded on behalf of the fired employee, with the result that Yamazaki Pharmaceutical had taken him on.

When confronted with this action, Higgins simply said that he had done what was expected of a superior in any Japanese company. Prescott believed these incidents suggested a serious problem. Higgins had been an effective and efficient manager whose knowledge of the language and the people had proved invaluable. Prescott knew that Higgins had received several outstanding offers to go with other companies in Japan. And on numerous occasions, Prescott's friends in U. S. companies said they envied him for having a man of Higgins's qualifications as an assistant. However, Prescott felt Higgins would be far more effective if he took a more emotionally detached attitude toward Japan. In Prescott's view, the best international executive was one who retained a belief in the fundamentals of the home point of view while also understanding foreign attitudes. This understanding, of course, should be thorough or even instinctive, but it also should be objective, characterized neither by disdain nor by strong emotional attachment.

Questions 1. How would you contrast Higgins's and Prescott's attitudes toward the implementation of U. S. personnel policies in the Japanese operations? 2. What are the major reasons for the differences in attitude? 3.

If you were the Weaver corporate manager responsible for the Japanese operations and the conflict between Higgins and Prescott came to your attention, what would you do? Be sure to first identify some alternatives and then make your recommendations. Bibliography: College Library