

# Introduction:

[Business, Management](#)



Introduction: The purpose of this report material is exclusively to collect, present and interact with the readers about the information based on conducting an interview with Mr. Hideo Nakai, an entrepreneur. He would like to share his experience in running an English Language School “ O. E. C. ” where I have been literally working a part-time job at his school for about seven months now; as well as to indicate what he currently views the business situation and his stance for the school’s existence. 1. O. E. C.

Background & History: O. E. C. is an English Language School or also known as “ Eikaiwa School” is usually an English conversation type of school in Japan. Although the Japanese public education system requires that English be taught as part of the curriculum but the focus is generally on English grammar. Some people attend Eikaiwa schools to supplement their school studies, to study a second language, to improve their business skills, as a hobby, to help socialize, or to prepare for travel. Many people such as college students, working people and young kids go to these schools in the hope of improving their higher education or to provide exposure to the ways and manners of people from other cultures due to the fact that foreigners are teaching most of the lessons being the primary selling point of an Eikaiwa business. O. E. C. has four school branches which are located in Umeda, Namba, Shinsaibashi and Akashi. The first O. E. C. school was established in Umeda, Osaka, in 1998 by Mr. Hideo Nakai, who is the owner and holding a Manager position at O. E. C. In the beginning, O. E. C. (stands for “ Outdoor English Club”) started off as a very small school with only four English teachers including two managing staffs who were Mr. Nakai and his wife (Mrs. Fumiko Nakai) Mr. Nakai had specifically set up his school as a

English conversation school. Thus, the lessons being taught were mainly activity-based lessons in which teachers had to teach English to students by doing activities both inside (regular lessons) and outside the class (outdoor lessons). For example, the teachers had games and role plays for the students participating in class. As the outdoor lessons, the teachers were able to take students learning English in a real-life situation such as in restaurants, grocery stores, shopping centers and etc. Most of the students at O. E. C were beginners who need to have simple and enjoyable lessons. Therefore Mr. Nakai keenly looked for the people who could actually teach the beginners and genuinely create a friendly learning environment for students. O. E. C. was ultimately successful at the initial stage and Mr. Nakai proactively wanted to open another school based on location. The second school is in Namba, then the third is Shinsaibashi and Akashi school is the latest one. The location hugely plays an important part for Mr. Nakai to pick and choose exactly where he should set up the school. What he bares in his mind about the location is the easy-access from the train station to the school and it is in attractive metro-areas. Therefore people can prominently find it convenient to go to school and be attracted to have a try and have a walk-in to the school. Now O. E. C. totally has thirty-eight teachers and ten managing staffs, most of the teachers are assigned to teach at the school where they particularly live close in that area. However, some of the teachers are occasionally assigned to have lessons in different schools. For example, a teacher who normally teaches at Umeda would go to Shinsaibashi in case of the teacher is calling in sick or replacing the teacher who is on vacation. The scheduled lessons can be very flexible depending on

the students' preference as O. E. C. feels the need to provide good service for all students in which ideally is what Mr. Nakai's business is all about. For the past eight to nine years, he recalls that there was a slight competition in the English-school business and O. E. C. was doing well. However, the situation has been severely changed for the last five years as the competition has been gradually intense as the incumbent big players have larger amount of budgets and better recognition. Surprisingly, some big companies even went into bankruptcy as a result from failing management. Mr. Nakai is urged to the current business situation and better to adapt and manage O. E. C. for its viability. Whereas he is still looking for good opportunities for his school's growth and be able to primarily provide good service for his students. O. E. C. mission is to provide a good service in easy and effective conversational English lessons to meet the students' needs, by providing well-structured lessons for different student levels. There are ten levels in which the students can have a trial lesson to test their English before they actually decide to enroll the course at O. E. C on their level. In additions, the teachers who are generally an English native-speaker encourage being friendly and caring with all the students as they possibly can be. Making them feel ease and fun to have lessons as well as strongly create an enjoyable atmosphere. Including managing staffs also need to provide good service in terms of lesson information, being willing to help the students with the schedule in a timely manner, enquiring students if they need any particular materials within the lessons. To pursue this mission, O. E. C. is appealing to existing students who would bring more prospective students by referring the school or by the word-of-mouth marketing as a

result in providing a good service. Thus, the differentiation strategy has implemented significantly and creates competitive advantage to O. E. C. which distinguishes the school prominent from other competitors in the market whose businesses are mainly focused on generating profits without considering the students' or customers' needs. As those competitors merely want to expand their school chain in different locations in Japan combining with poor staffing which unfortunately leads their business to collapse. Mr. Nakai has considered his current stage very challenging for O. E. C. that he should be carefully take on its strength and weakness when he is trying make a decision.

2. Roles and Responsibilities of O. E. C. Manager: Mr. Nakai's roles and responsibilities at O. E. C. are generally to carry out the overall management of his school with the help of his managing staffs and all the teachers. He sets clear goals and objectives for people working under him. For instance, he requires having at least forty-five new students per month as he clearly addressed the most portion of income is from tuition fees. Mr. Nakai also points that he does not spend a lot of money on advertising expense to promote his school as he views it is costly and unnecessary as a result it may possibly have a negative impact on the income. For recruiting new staffs and teachers, Mr. Nakai is the one who conducts a one-on-one interview session with the applicants. What he always looks for staffs that are adaptive and presentable to provide a good service, also needs teachers who are potentially able to teach effectively and make students to feel fun, encouraged to learn and understand the lessons as he has addressed that the non-native English teachers is not a big issue. As O. E. C. has started to expand, Mr. Nakai is trying to control and maintain

service quality because he strongly believes that O. E. C. greatly relies on good service for students in order to attract more prospective students and to gain a better school recognition. Therefore, the important part of Mr. Nakai's roles and responsibilities is to generate business income, coordinate with his employees at best and ultimately lead his people to fulfill O. E. C. goals.

3. My evaluation on the performance of O. EC. Manager: While Mr. Nakai is holding a Manager position at in O. E. C. he has performed managerial tasks of planning, managing, and controlling. He performs the planning by setting and identifying clear goals and objectives. For instance, he requires having at least forty-five new students per month and the source of income is mainly from the tuition fees. Thus, he has properly tried creating a company value and competitive advantage of providing a good service in O. E. C. which is " Responsiveness to Customers". He then decides on taking an action to achieve this goal which is to encourage his staff and the teachers accommodate a good service and try to maintain the service quality as it has been the focal strength of O. E. C. As a result, he is taking on the differentiation strategy focusing on provide a good English lesson service to the students or customers market as well as creating O. E. C. the uniqueness of English language school. Mr. Nakai's managing tasks involves in operating a day-to-day business, giving administrative directions to his staffs on how to treat both existing and new students, even making a job design for the teachers. For example, to design job enrichment for the teachers by empowering them to find new or better ways of teaching even though there are notably-structured curriculums provided in O. E. C. Mr. Nakai also holds a monthly meeting with staffs and another meeting with the

teachers in order to evaluate his or her performance, give feedbacks and possibly make an adjustment on the lessons or schedules if needed thus to meet with the students' requirements. Mr. Nakai's controlling role is by monitoring and regulate how efficiently and effectively his staffs and teachers are performing their job necessary to achieve O. E. C. goals. The mechanism of control that he uses is the " Output Control" As mentioned in the previous section; Mr. Nakai expects to acquire forty-five new per month showing how important it is related to the business survival as the main income source are from students tuition fees. Also, service quality is another measure to control his employees' performance. For example, at the end of every lessons, students are required to grade the teacher whom they have the lesson with so all teachers are constantly being evaluated their teaching performance. The full score is 100% which the standard requires the teacher to achieve at least 91%. As a result of the evaluation would help to better the teaching service let teachers know how well they perform to meet with the teaching standard. However, each teacher is subjective and has their own style of teaching which sometimes it is difficult to measure and to have an accurate evaluation result. Additionally, those teachers come from different countries and hold different ethnic backgrounds; for example, they are from the US, UK, Australia, Ireland and etc. Referring to the personality traits, Mr. Nakai is an extravert manager who tends be sociable, outgoing and friendly. He really likes takes part in the social activities with his staffs, teachers including the students. Every once a month, there is a school party which all the staffs, teachers and students can optionally participate. Social-gathering events can enhance building a long-term relationship with the

students. As I personally check some students' files proving that they have been taking English lessons with O. E. C. for over four to five years. Some of them are even with the school for almost nine years. Thus, this indicates that provide a good service can give a promising students to stay in touch with the school. Moreover, Mr. Nakai can be defined as a " Prosocially motivated manager" as he addressed his feeling about how much he has made a contribution to the students by offering fun and pleasant English lessons. He emphasizes that it is very wonderful to see the students who are actually progressed and improved in their English skills. Also, how he has helped them to expose to the new cultural exchange and has influence on his students by Goal-setting motivation which encourages the students contribute and put efforts in learning English in order to become successful.

4. My Recommendations to O. EC. Manager: As mentioned in the previous sections, I would conclude that Mr. Nakai's performance as a manager is good and would encourage him to continue his management as before. Nonetheless, I would suggest him to consider the following recommendations on how he could improve his managing performance in O. E. C. 1. Students have a crucial part on O. E. C. differentiation strategy which Mr. Nakai has always emphasized on creating a value- add of good service to tailor and react to the needs of his students and customers. However, he should consider adapting this diversified workforce environment by probably undertaking the " Behavior Control" strategy as different teachers are from different places, have various background and their own circumstances. Therefore, Mr. Nakai could encourage an openly direct communication among the teachers in order to gain better ideas and to understand the



individual's perspective. Ultimately, he could direct everyone onto a mutually path so as to maintain the long-term service quality as it is a core value in O. E. C. 2. As the above first recommendation to further relate to the second, Mr. Nakai, who has spent his lifetime being an entrepreneur and a risk taker. He has genuinely achieved his role on social responsibility of providing the education for people and motivating them to work hard on their English study as well as strenuously trying to stay alive in the game of business. However, it sadly seems that the people working under him lack of motivation, especially the teachers. Some teachers are merely working for temporary then return back to their countries and some of them are working just for the money. Thus they might consider leaving O. E. C. and getting a new teaching job in a new company for a better pay. Consequently, Mr. Nakai will lose nice and effective teachers as it would have a negative impact on his business. 5. Feedback Session: After all the sheer amount of information in this report, a feedback session was held with Mr. Nakai shortly after the recommendations were taken up. I shared my recommendations to him as he always opened and listened to his people working with him and he feels appreciated that I brought them up. Without a surprise, he literally understood the current situation of his teachers which has been a chronic issue for the company. However, I explained how he could motivate his people by applying the " Expectancy Theory" that might better his management and business. Though, he only responded to take it into account as he would see how his staffs and teachers could affect his business existence.