

SHERMAN ABE: Taking Care of Business

To be successful in Japan, the skills that you bring are more important than whether or not you are Japanese American, according to Sherman Abe, professor, associate dean and co-founder of Hitotsubashi University's Graduate School of International Corporate Strategy.

He was born in 1944 in Crystal City, Texas, a Justice Department internment camp, and was raised by Issei parents in San Bernardino. "My father had a grocery store in the barrio ... To his dying day, his second language after Japanese was Spanish," he said.

Abe had no formal education in things Japanese. "There weren't Japanese in San Bernardino after the war. Nobody came back except maybe two families. So there was no *Nihongo gakko* on Saturday, no Japanese church, there was no community group at all ... We were tied more to the Mexican community."

But his parents influenced him in terms of familiarity with Japanese food and being used to hearing them speak to each other in Japanese.

His first trip to Japan was in 1962 through a summer high school sister-city exchange program between San Bernardino and Tachikawa. "It was great ... It left an indelible and positive impression on me."

A few years after graduating from Harvard, Abe made his way back to Japan "just on a lark -- took a freighter and came to Japan, lived with my cousin, taught English, answered an ad in the Japan Times, joined Merrill Lynch and worked in Tokyo for Merrill Lynch for seven years ... then returned to the States, went to business school, got an MBA at Stanford, three years in New York in banking, and then back to Tokyo with my company."

After 10 years in Tokyo, he went back to California for five years, then went back to Tokyo. "I think I've probably spent about 40 percent of my life in Japan," he said. "This is my third extended stay in Japan."

He and his wife, Yoko, whom he met at Merrill Lynch, have three grown children. "It's very interesting," he observed, "because I'm an American citizen and I consider myself an American ... But my wife is Japanese and she would never consider changing her citizenship, and justifiably so. Our three kids have both, they carry two passports. And they've spent significant amounts of their early education here in Japan."

'The Real Issue'

Abe did not see being Japanese American as much of a help or a hindrance to doing business in Japan. "The Japanese business world is like any business world," he explained.

"They're looking for knowledge and they're looking for expertise. And if you can deliver knowledge, if you are an expert in something, then what does it matter?"

"I happen to know finance ... so if I go to a meeting, whether I speak English or not isn't so important as the content of what I say, right?"

"So to me, I think the Japanese American part is simply ancillary to the real issue. The real issue is: as a professional person, can you deliver in whatever your profession is? And if you can, then that's the hurdle."

"Then after that, if you happen to be of Japanese ancestry, well, that's great. That's positive. But it's not what's going to make you succeed. I really believe that."

"That's why to me, I think it's a false start to say well, gee, I'm a Japanese American, my parents or my grandparents or my great-grandparents are from this country. I don't think that's enough. It's a very insufficient sort of beginning."

One possible advantage of having a Japanese background is that one's personal style may be suitable for Japan, he said. "I think foreign businessmen who tend to be in your face, like a lot of them are, don't work so well here. Who are confrontational, who like to talk and not listen. That doesn't work so well here."

"We used to get visitors from our New York office when I was at First Boston ... and they would come here armed with all kinds of information, but all they would do is talk without really having an interchange. I don't think that works very well. So in that sense, I think cultural sensitivity, which comes naturally to anybody who is of Japanese blood, benefits. But I think the content is what really drives success."

A School With a Vision

Abe is one of nine founders of the Graduate School of International Corporate Strategy, also known as ICS. He describes the dean, Hiroataka Takeuchi, as "an interesting person, unique. He's Japanese



but he's very westernized. In fact, he has a Ph.D. from Berkeley, taught at Harvard Business School for eight years, and he had a vision about what this school should be. I think we all bought into that vision."

The physical layout of the school is important, Abe said, noting that at many national universities, "the bookcases are metal, the desk is gray, it's very nondescript. Whereas here, we have nice bookcases, we have nice desks, we have nice offices, because the intention is this place should be like going to Harvard Business School or going to Stanford Business School. You should feel a certain atmosphere, and I think that we've succeeded in that."

The curriculum is Western "in terms of competitive strategy, in terms of organizational behavior, fields of study," he said, but the school's selling point is that it combines that with such Asian elements as "knowledge management, which is a great big area, passive knowledge. So we sort of like to think of ourselves as the best of both worlds."

Although Japan has long been viewed as a model of how to do business, it has not had the kinds of business schools that Americans are familiar with, Abe stressed. "They went directly to companies out of college and they didn't change their companies, weren't able to. But in our school ... unlike Keio, which has got a good business school but it tends to be more theoretical, we wanted to bring practical applications-oriented study here."

For instance, Abe has an MBA, not a Ph.D. "I am a business person ... I don't have a typical academic career path, and there are actually about three of us who are in the same category."

The reason for that is business theory is good to an extent, but unless you understand how business works in the real world, you're not going to succeed."

As the school is centrally located in Tokyo's Chiyoda-ku, speakers from the business community visit often. They include Tadashi Yanai, CEO of Fast Retailing, a casual wear company, and Hiroshi Mikitani, president of Rakuten, an Internet shopping mall.

Abe's own specialties include mergers and acquisitions and capital market underwriting. He describes himself as "a former investment banker, a current professor."

At Home in Both Countries

Outside of work, Abe said that being Japanese American has not been an issue in his day-to-day life in Japan. But his sister has said that she feels uncomfortable whenever she visits Japan -- blending in until she speaks, or does something that a Japanese wouldn't do.

"I must say I never ever felt that way," Abe remarked. "Maybe it's just my personality. But I've heard that from others, too. I think a lot of Japanese Americans who come here somehow don't embrace this country and the environment as easily as they might. I'm not sure why ..."

"It could be it's like somebody going to New York. If you go to Manhattan and you haven't been there or you don't go very often, you have to have a different mindset."

Abe, who maintains a residence in Menlo Park, said that his family feels comfortable going back and forth between Japan and the U.S. "My wife and kids really like that lifestyle. Actually, it's fun. It's almost schizophrenic -- you're here and you behave in a certain way ... then you're in California and it's totally different ... But it's enriching."

He reiterated his philosophy: "Being Japanese American is frosting on the cake, but it's not the cake. You've got to deliver ... Japanese Americans who have an interest in Japan should come here with that notion. This is a fascinating and fun place, it's part of their blood ... But you've got to come with an open mind ... with the notion that you can contribute something other than the fact that you just happen to be of Japanese heritage."

And noting that the school is attended by students from around the world, he added that one does not have to limit oneself to the U.S. and Japan. "Japanese Americans can go to China and get very special experiences, or to London and have wonderful experiences. There has to be a kind of global thinking about this."

Having had the opportunity in recent years to travel to places like Laos, Cambodia and Myanmar, he recommended that Japanese Americans "think of themselves as global citizens and that Japan is one of those countries ... [But] it's not just a relationship of two countries."