

Philosophy-based corporate transformation: The Case of Kyocera MITA Corporation

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ABSTRACT

This study focuses on the aspects of corporate transformation that are essential to business growth. I infer that management practice based on the “Inamori management philosophy” is more effective and functions as a kind of driving force when tackling corporate transformations such as corporate revitalization and PMI (Post-Merger Integration). Based on this awareness, this study applied a case study to the enterprise transformation of Kyocera Mita Corporation with the aim of exploring the theoretical implications from the point of view of business administration. In the previous research, the effectiveness of Kyocera Corporation's management was explained in the concept of amoeba management, which is a method of superior management accounting (e.g., Adler and Hiromoto 2012, Amoeba Management Academic Community 2010). However, there is inadequate research beyond corporate boundaries regarding the effectiveness of philosophy-based management systems for corporate transformation. In theoretical conclusion, the Inamori management philosophy works effectively to facilitate resolution of issues of confrontation and works dynamically while changing its form independently according to the business model and the characteristics of the organizational culture for promoting corporate transformation. Additionally, I would like to share the practical implications of the finding that management practice based on the Inamori management philosophy is also effective as a management method from the perspective of company reform. In summary, the philosophy-based management promoted sense of unity, strong willpower and cost consciousness effectively for revitalization.

Keywords: Inamori Management Philosophy, Philosophy-based Management, Corporate Transformation, Three Management Spirits, Leadership, Amoeba Management

INTRODUCTION AND OBJECTIVES

Background and Issues

In this paper, I focus on the aspects of corporate transformation that are essential to business growth. Wiggins and Ruefli (2002) showed that in business administration, companies demonstrating sustainable growth continuously overcome numerous trials and crises in their corporate performance.

Since its founding in April 1959, Kyocera Group—the focus for this study—has proved to be one of those rare companies that has never experienced any loss, but has grown continuously. It has turned around a number of companies that were experiencing management crisis and has also executed numerous M&As. How has the corporation been able to achieve sustainable growth despite undergoing repeated corporate revitalization

and Post Merger Integration, or PMI? In addition, corporation has been able to grow despite having several unrelated diversifications, which Rumelt (1974) stated would be difficult in business administration. This point is the problem consciousness that lies at the base of this study.

This paper looks at the Inamori Management Philosophy or the Kyocera Philosophy (hereinafter, “the Philosophy”) that are brought forward by Kazuo Inamori —the founder of KYOCERA as a form of management philosophy for Kyocera Group. The corporation has a unique management Rationale "To provide opportunities for the material and intellectual growth of all our employees, and through our joint efforts, contribute to the advancement of society and humankind." which emphasizes employees (which is about over 69,000 on March,2016) the most. The corporation was established in 1959, which consolidated net sales was 1,479 billion JPY (around 13.3 billion US Dollars) in fiscal 2016. The Philosophy is the general term given to the belief system on management that has been accumulated by Kazuo Inamori. It pursues the appropriate decision by using the criteria of doing what is right as a human being, and aspires to manage based on human spirit. A driving force for corporate transformation, including unrelated diversification could be addressed by some “general principles” in the Philosophy.

Objectives

In this paper, the theoretical and managerial objectives of this study in business administration are as follows: Theoretical (academic) aspects of business administration are to explore some clues to the effectiveness and mechanism of management practice through business transformation based on the Philosophy, and indicate the important concepts and logic behind such practice. Managerial aspects of business administration are to understand management wisdom and ingenuity from the perspective of business transformation (e.g. business revitalization, PMI)

LITERATURE REVIEW

It has been pointed out in management studies that companies which demonstrate sustainable growth have overcome numerous trials and crises rather than simply growing linearly from the aspect of corporate performance to continue their rise. For example, Wiggins and Ruefli (2002) conclude that it is rare to see a company that achieves outstanding corporate performance on a continuous basis—a finding based on their long-term survey spanning 25 years—from 1972 to 1997—comprising 40 industries and 6,772 companies. They have shown the extreme unlikeliness in attaining such results, and made a point to state that a business entity would accomplish continual expansion by cycling through the state of growth and recovery. Accordingly, corporate transformation and corporate revitalization can become an important subject for any company. One aspect of corporate transformation is the process of diversification: an addition of a new business domain. However, the difficulty in reaching a successful outcome has been indicated, especially for any unrelated diversifications with a weak link to the existing business (Rumelt, 1974).

The three management spirits put forward by Kagono (2010), which will be cited as reference in this paper, will be analyzed. The spirit of management (i.e. the “Management Mindset”) is to establish corporate management in a capitalist society, the mindset necessary in order to judge and move people based on the inner aspects of the people working in a company (Kagono, 2010, p.46). Kagono examines the following three spirits,

arguing that these three play a crucial role in management: the first is the citizen’s spirit demonstrated through diligence in social nature, which is espoused by Weber (1920); the second is the entrepreneurial spirit that is promoted by Sombart (1911, 1913) and Shumpeter (1926), pointing to a strong will to accomplish whatever an individual has set out to do; and the third is the commercial spirit advocated by Smith (1776) , which is characterized by a rational mindset. The description of the three management spirits and their key words are shown in Table 1.

Table 1. The Three Management Spirits

Name (reference)	Explanation	Keywords
Citizen’s spirit (Max Weber)	To respect social and workplace rules, work diligently, have an obedient mindset, and be able to control oneself	Diligence, loyalty, moderation, overconfidence, altruism, steadfastness, honesty
Entrepreneurial spirit (Werner Sombart, Joseph Shumpeter)	strong willpower to actualize dreams by pursuing something without limits, overcoming various obstacles and raising a fighting spirit	Passion, creative destruction, victory, conquest, motive, ultimate pursuit, vocation, spirit without risk and fear
Commercial spirit (Adam Smith)	the spirit to pursue abstract benefits and satisfy one’s interests through rational judgement	rationality, commitment to numbers, self-interest, real intention

In addition, what is important for the mindset of management is striking a balance between the three spirits. In other words, Kagono states the necessity of opposing spirits in the realm of corporate management. The key to the management spirit is to balance these three spirits. The balance mechanism for these spirits is shown in Table 2 below.

Table 2. Dynamism of the “Three Management Spirits”

Classification	Explanation
Temporal balance	balancing to emphasize each spirit according to time
Spatial balance No.1	balancing to emphasize each spirit according to hierarchy (e.g. emphasizing the entrepreneurial spirit for executives, the citizen’s spirit for employees, and the commercial spirit for middle management)
Spatial balance No.2	balancing to emphasize each spirit according to its function (e.g. emphasizing the citizen’s spirit and the entrepreneurial spirit in the production department; the citizen’s spirit and the commercial spirit in the sales department; and the entrepreneurial spirit and the citizen’s spirit in the R&D department)

However, Kagono (2010) stops at the conceptual overview of the three spirits. Therefore, aspects that have not been empirically proven through specific management practices can be brought forward as issue items in the future.

In addition, there is inadequate research beyond corporate boundaries regarding the effectiveness of philosophy-based management systems for corporate transformation in business administration. As the case of Kyocera group's corporate transformation, some researches have been accumulated in terms of the effectiveness of "Amoeba Management" which has also been developed by Kazuo Inamori (e.g. Shio and Kirihata, 2013; Tani and Kubota, 2012). However, there is little literature on the relationship between corporate transformation and Inamori philosophy. Therefore, further research is required.

RESEARCH METHOD: CASE STUDY

Adoption of the Case Study

In this study, the "case study" method as a qualitative research method was adopted. According to Yin (1994), the case study method allows the researcher to ask how and why questions when the researcher has little control over events relating to the subject under study, and is effective for both the exploratory purpose and the explanatory purpose, as well as for developing a theory. Furthermore, the method is effective for a study subject with many data points, such as time-series analysis (Yin, 1994).

There were the following three reasons for adopting the case study method in this study.

- The purpose of this study was theory development, and the study method needed to be suitable for the creation of theoretical hypotheses and their explanations.
- The study aimed to clarify in a chronological order the management approach (why and how) employed in the corporate transformation phase that lasted a medium to long period of time (spanning several years), based on the corporate management philosophy with no clear details disclosed.
- It was necessary to handle high-context contents that cover a relatively long period of time in order to clarify the chain of effects a management philosophy had on corporate transformation, and its mechanisms (Numagami, 2000).

Method of Handling Case Study Data

To handle qualitative data as a scientific research approach, case studies follow the three principles of data collection proposed by Yin (1994) and ensure reliability of qualitative data in case studies by specifically implementing the following.

- Use of multiple sources of evidence
- Use of face-to-face interviews with the management who experienced the case being studied, emails interviews as the basis, while using published materials, such as literary works written by the then management, industry research papers, corporate history, and published magazine articles as the secondary data. The primary and the secondary data were cross-validated to better understand the case.
- Maintenance of a chain of evidence
- Information on date and time of data collection, interviewees and other information providers were arranged in order so that relationships among the collected data could be made clear.
- Review by key informants

The persons in the company who provided the relevant information reviewed the completed case study documents.

In academic study, qualitative data should be carefully handled. The secondary materials were collected from a wide range of published documents for this study. They included information posted on the corporate website (including securities reports), articles in newspapers and magazines (including articles posted on the website of magazine publishers), corporate history, patent information, research reports and papers (including works written by researchers and personnel belonging to the company being studied), and books (including research books). The primary materials included the relevant materials provided by the company studied, face-to-face interviews, and email question-and-answer communications. The face-to-face interview covered the case being studied and was conducted several times with the person who dealt with the transformation of the corporation under study as a member of the management or as an administrator.

Careers of the information providers were examined to better understand the background of the information given orally. Internal materials related to the areas covered by the interview were also given at the time of the face-to-face interview. The interviews were recorded on electromagnetic media to maintain correct records of the experiences and the views of the world of internal personnel as the collected data, and also transcribed accurately word by word in order to utilize them as research data.

Research Question

This case study focused on understanding the characteristics of the Kyocera Philosophy as a management philosophy and finding its logic behind the efficacy in corporate management. Extra attention was paid to the areas of corporate transformation, corporate revitalization and Post Merger Integration (PMI), which were said to be difficult to achieve in the realm of business administration.

Accordingly, the following three research questions were posed: RQ1 and RQ2 led to the understanding of the case study, and RQ3 setup as the main inquiry of this study.

- RQ1: What was the process of business revitalization?
- RQ2: What was the practical advantage of utilizing Kyocera philosophy during the business revitalization?
- RQ3: Did management based on Inamori Management Philosophy aid business revitalization? Why was that? Which mechanisms aided business revitalization?

CASE STUDY: KYOCERA MITA CORPORATION

Filing for bankruptcy in 1998, MITA Industrial Co., Ltd. became revitalized as KYOCERA MITA Corporation (the name was changed to Kyocera Document Solutions Inc. in 2012) through the assistance of KYOCERA Corporation. This paper examines the case study of corporate transformation that has been carried out for KYOCERA MITA, which was based on the management style underpinned by the Kyocera Philosophy. I conducted seven face-to-face interviews with the management who experienced this business revitalization (see Appendix A).

History of KYOCERA MITA's Transformation

The overview on the history of its corporate transformation is shown in Table 4. The company fulfilled the terms of the 10-year reorganization plan—based on the Corporate Reorganization Act—seven years ahead of schedule, and having integrated with Kyocera's

printer business, it successfully transformed itself as the core business of the Kyocera Group.

Table 4. The History of KYOCERA MITA's Corporate Transformation

Aug. 1998	MITA Industrial filed papers for the Corporate Reorganization Act to the Osaka District Court.
Aug. 1998	Chairman Emeritus Inamori of Kyocera decides to support MITA's reorganization.
Oct. 1998	Kyocera dispatches Koji Seki (Kyocera's Executive Director and Production Manager) as the bankruptcy trustee; begins reorganization procedure.
Jan. 1999	Company-wide presentation of the new management policies; begins to incorporate the Kyocera Philosophy in earnest.
Jan. 2000	Reorganization plan approved; company name changes to KYOCERA MITA Corporation (Koji Seki as the first president).
March 2002	The reorganization plan to repay the debt, which exceeded 40 billion JPY, (around 307 Million US Dollars) in 10 years was completed seven years ahead of schedule.
April 2002	KYOCERA MITA integrates with Kyocera's printer business.
June 2003	In fiscal 2003, KYOCERA MITA achieved net sales of 200 billion JPY (around 1.7 billion US Dollars), and pre-tax profit margin of more than 10%.
April 2012	Company name changed to KYOCERA Document Solutions; becomes the core company under Kyocera Group with net sales exceeding 240 billion JPY. (around 3.0 billion US Dollars)

Source: Based on internal documents as well as interviews.

The Bankruptcy of MITA Industrial and Announcement of Kyocera's Support

Founded in 1948 as a manufacturer of copying machines in Osaka, MITA Industrial filed to initiate the proceedings for the Corporation Reorganization Act at the Osaka District Court on August 10th, 1998, and effectively went bankrupt. The total debt amounting to 205.7 billion JPY was considered to be the largest bankruptcy of any in the manufacturing industry in post-War Japan¹.

President Yoshihiro Mita of MITA Industrial had requested for help from Kazuo Inamori, Chairman Emeritus of Kyocera in July 1998—one month before it went under. Kyocera itself had just booked a loss in the fiscal year ended March 31, 1998. Under the unfavorable management climate, he still decided to assist MITA Industrial and dispatched five employees from Kyocera to investigate. In October 1998, Executive Director and Production Manager, Koji Seki of Kyocera was sent to MITA as the bankruptcy trustee. At the time, Seki states, he predicted that he was going to be sent over to the ailing company because he has overseen the printing business at Kyocera and because there were structural differences between the businesses of two companies—Kyocera's core business was in ceramics components as opposed to the finished product of copying machines of MITA's².

It has been noted in the interview that until December 1998, the reorganization procedure was being implemented under the auspices of the Osaka District Court

¹ (1998, August 11). *Nihon Keizai Shinbun* (Japanese newspaper), morning edition, p.9

² Based on the Interview with Kouji Seki on October 18th, 2016.

(bankruptcy trustee was Makoto Miyazaki, an attorney) based on the Corporation Reorganization Act, and rather than Kyocera taking the lead on its proceedings, it was actually the court that was spearheading the affairs³. It was a particularly unforgiving restructuring process that included the following: status briefing and coordination with the creditors; debt waiver by the banks, and a 20% downsizing in workforce that centered on its management⁴. At the same time, Seki had visited MITA Industrial’s overseas and domestic distributors, taking great pains to explain that business would continue due to Kyocera’s backing⁵. The reorganization plan was formulated the following October of 1999, which was approved in January of 2000, and MITA was launched as the new KYOCERA MITA with the first president Seki at its helm.

Business Outcomes by Corporate Transformation

Its performance under the transformation has been dramatic. Sales continued to grow, and in fiscal 2003, its net sales were almost twice—200 billion JPY (about 1.7 US dollars)—the amount compared to right after its bankruptcy filing. In fiscal 2014, it booked a sales figure exceeding 300 billion JPY (about 2.7 US dollars), becoming the core company of the Kyocera Group claiming more than 20% of net sales by segment.

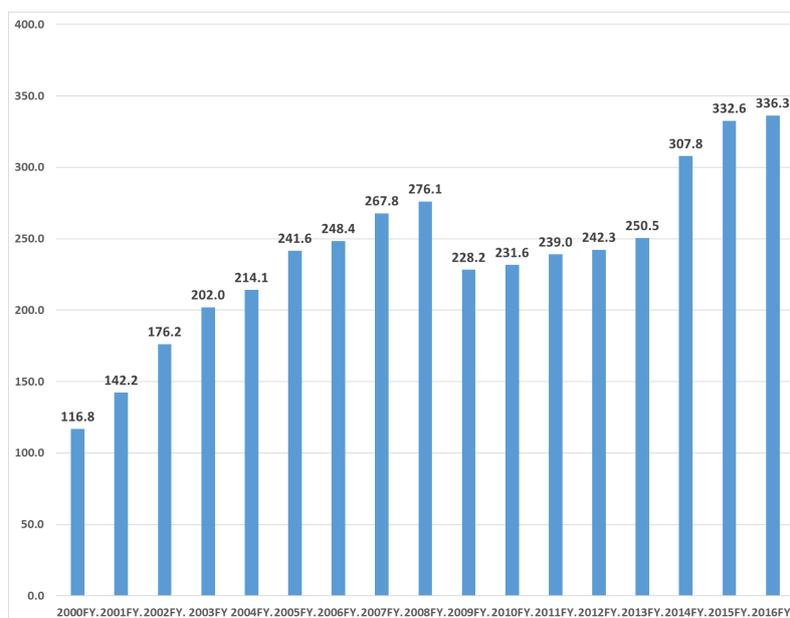


Figure 1. Change in business outcomes “Sales” (billion JPY)⁶

Source: Based on internal documents

At the time of its insolvency, MITA chafed under its huge debt, but in its pre-tax profit margin in fiscal 2001, it had turned a profit, and it achieved over 10% in fiscal 2003—industry’s top.

³ Based on the Interviewed with Yoshihiro Tagawa on September 9th, 2016.

⁴ Based on the Interview with Kouji Seki on October 18th, 2016.

⁵ Based on the Interview with Kouji Seki on October 18th, 2016.

⁶ Calculated by around 105 JPY per a dollar

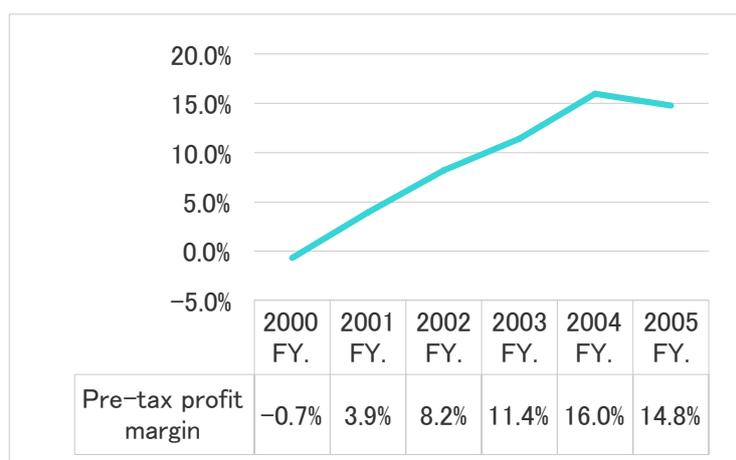


Figure 2. Change in Business Outcomes “pre-tax profit margin”
Source: Based on internal documents

Establishing New Management Policies and Introducing the Philosophy under Corporate Transformation

Generally speaking, many Japanese companies (e.g., Kyocera, Panasonic) have a system in which the corporate philosophy is read aloud together every morning.

Company-Wide Announcement of the New Management Policies and Ambitious Goal Setting⁷

In January 1999, Seki briefed all the employees of the MITA Industrial on the new management policies. Until that moment, it had been unprecedented for the management class, starting with the president, to directly discuss its business policies or business goals by facing the entire workforce.

He explains that his actions were rooted in his desire to share with the whole company that they were going to rebuild the business together. At the time, Canon, Ricoh, and Xerox were considered as MITA’s competitors, exposing a substantial lag in sales volume, production capabilities and technological feats as well. However, he stressed that the profit ratio only amounted to a difference of several percentage points, and set a company-wide goal to exceed 10% in pre-tax profit margin—a feat that has not been achieved throughout the industry. He states that he had the impression initially of not being taken seriously for having set an ambitious goal of 10% by a company, which formerly filed for bankruptcy under mounting debt. But he has equally set extraordinary goals in his past work experiences (the revamping of Kyocera’s Tamaki Plant and Fukushima Plant). At the core was his resolute commitment in one, “Toward being a company that will never go bankrupt again,” and second, “Believe strongly in what we can do.” These beliefs were similar to what Inamori used to say at meetings: “I am a dreamer who dreams.” This was in fact the application of one of the tenets of the Philosophy: “Maintain an Ardent Desire that Penetrates Your Subconscious.”

⁷ Based on the Interview with Kouji Seki on October 18th, 2016.

Introducing the Philosophy⁸

Seki placed resolute will power at the core of the challenge, and designated the Philosophy as that willpower's source. He introduced the Philosophy from the initial stages of corporate recovery, which was in a state of crisis, and shared its values to elevate each and everyone's mindset about their working style and to bring a sense of unity to the workplace, as well as to, "Align Mental Vectors." He mentioned, "pursuit of profit and altruism is not contradictory" in particular.

Table 5. Main Historical Timelines on the Introduction of Kyocera Philosophy

Nov. 1998	Book offer of <i>Philosophy of Inamori Kazuo</i> , 404 apply to purchase
Dec. 1998	Excerpts from the Philosophy are read out loud during the morning meeting broadcast
May 1999	Book offer of <i>Enhancing your mind, grow the business</i> , 805 apply to purchase
July 1999	<i>Kyocera Philosophy Pocketbook</i> distributed; employees take turns to read at the workplace
Oct. 1999	President Seki has hosted 8 Philosophy study seminars; 104 department and business office heads have participated
Jan. 2000	1st philosophy essay contest with 2,573 submissions (98.5% of employees)
June 2000	Philosophy study seminars have been hosted 20 times; 409 section chiefs participate
Oct. 2000	Distribution of <i>Accounting Pocketbook</i> ; employees take turns to read at the workplace
Dec. 2000	Subscription offering of <i>Seiwajyuku Journal</i> begins
Jan. 2001	The 2 nd philosophy essay contest with 2,535 submissions (93.7% of employees)
Feb. 2001	Distribution of Lecture Series by Chairman Emeritus; employees take turns to read at workplace; <i>Shimazu Iroha song</i> offering
March 2001	The Philosophy study seminars have been hosted 9 times; 141 domestic sales managers participate
July 2001	Distribution of <i>Kyocera Philosophy Handbook</i> to all employees; staff take turns reading it at workplace.
July 2001	Accounting study seminars have been hosted 10 times; 426 department heads participate

Source: Based on internal documents as well as interview.

The actual person who oversaw the implementation of the Philosophy was Yoshihiro Tagawa, an employee from Kyocera who was transferred to MITA Industrial in December 1998. He started reading aloud two pages from the Kyocera Philosophy pocketbook (undistributed) every morning during the morning meeting over the in-house broadcasting system that he himself set up. His intent was to provide an opportunity for the MITA's employees to gain an understanding over what kind of a company Kyocera is and its management philosophy, and the recitation method had not even been adopted at Kyocera. He was never imposing and was very cautious about advancing the Philosophical

⁸ Based on Internal documents as well as the interview with Yoshihiro Tagawa on September 9th, 2016 and the Interview with Kouji Seki on October 18th, 2016.

tenets. He states that he felt the daily readings were starting to make a difference when he became aware of the growing responses from the employees saying, “The sayings are obvious but I have not been able to apply it.”

At the time, the Kyocera Philosophy Pocketbook was prohibited to be distributed outside of Kyocera. However, as a request from MITA Industrial, which was to become one of the Kyocera Group companies in the future, a direct permission was sought and received from Chairman Emeritus Inamori for its circulation outside of Kyocera in July 1999. As a result, the Pocketbook was provided to all the employees of MITA Industrial—the first ever to be given outside of Kyocera. Making a circle at the workplace, an employee would take turns every morning by reading one philosophical tenet per paragraph. The specific format was that the person whose turn it was to read would recite one tenet and comment on it, then managers would add their thoughts.

Subsequently, MITA Industrial implemented full-fledged Kyocera Philosophy training courses from October to December 1999. First, Seki visited the eight business sites around the country and spoke to and shared with 104 department and business office heads about his thoughts on what it means to be a leader. Then, Tagawa took charge of the educational undertaking as he envisioned the ideal form of an on-site leader by taking inspiration from “To Become an Excellent Leader” that is found in the Philosophy Pocketbook. Consequently, the Philosophy Study Seminars for section heads took place from June to December 2000, followed by another for domestic sales managers from March to May 2001. Study Seminars were always followed by a *KOMPA* or get-togethers at night, where members from different sections would talk about their work. These gatherings were non-existent during the days of MITA Industrial, and employees believed that they could deepen their mutual understanding over their hardships and thoughts. Coupled with the dramatic improvement in business performance from 2001, working style based on the Philosophy had begun to be more accepted.

Throughout the process to share the Philosophical study series, the following values were instilled in the employees of MITA Industrial: “Strong Desire,” “Align Mental Vectors,” “Management by All,” “Transparent Management,” “Extended Family Principle,” and “Cost Consciousness.”

Cost Consciousness Reform⁹

Seki, who was originally dispatched as the bankruptcy trustee since October 1998, promptly took control over matters of expenditures by implementing a structure where any outlays would have to go through him first. At MITA Industrial, none of the departments were privy to the numerical figures of management accounting, which were directly connected to the financial results, and the investigative team from Kyocera strongly felt that MITA had a weak sense of cost consciousness¹⁰. After Seki announced the new management policies, he continued to utter the motto, “Pre-tax profit margin in excess of 10%” and “Numbers are everything,” and tried to raise the company-wide awareness for cost consciousness.

Starting in July 1999, MITA Industrial launched the Amoeba Management System—a proprietary system developed by Kyocera—as a method for management accounting.

⁹ Based on the Interviewed with Yoshihiro Tagawa on September 9th, 2016.

¹⁰ Based on the Interviewed with Yoshihiro Tagawa on September 9th, 2016. Initially, the employees were not told until the financial statements were announced whether the company made a profit or loss. They were very shocked once they could track their profit margin on a monthly basis.

Contrary to Kyocera, which manufactures components, the business model of MITA Industrial rested on earning recurring profits through the rendition of services, first by building a finished product called the copying machine and then having a distributor, which is a separate business entity, install them at its corporate clients. Therefore, MITA initially brought in Amoeba Management as a form of management accounting, which is distinct from Kyocera's formula where the broken-down amoebas conduct in-house sales and purchases¹¹. Its objective was to initiate reform of their mindset with an emphasis on the point of "Elevate Cost-Consciousness" that is pointed out in the Philosophy. In September 1999, MITA started to create "hourly efficiency reports," the essence of Amoeba Management. After its staged implementations, daily margins became visible for the first time and the added value of each department was now readily available. When the monthly financial report turned a profit, staff were motivated to achieve the same for the half-year one, and gradually a cost consciousness developed in everyone's mind where they became more averse to waste. Seki distinctly felt that by the latter part of 2000, Philosophical phrases were on people's lips¹².

Integration with Kyocera's Printer Business

Seki states that the biggest challenge in the phase for KYOCERA MITA's corporate transformation was the integration between Kyocera's printer business and the former MITA Industrial's copying machine business¹³. In the section, the merger will be examined from the aspects of product development, manufacturing, sales, work process and Information System.

History of Business Integration

Ever since Kyocera announced its support in 1998, Kyocera and KYOCERA MITA have pursued ways to demonstrate their synergies. As a result, they started reviewing the specificities of their future business integration. For example, the realignment of the former MITA Industrial's personnel system to Kyocera's had taken place before the actual merger¹⁴.

Actually, KYOCERA MITA had fulfilled the terms for its reorganization plan seven years ahead of schedule in March 2002, and in April of the same year, Kyocera's Printer Division was brought over to KYOCERA MITA's side to follow through on their merger. Consequently, employees of both companies started to undertake copying machine and printer business as a unified team.

Product Development Reform¹⁵

Ever since the start of Printer Division in 1986¹⁶, Kyocera has been able to accumulate its strength in the following areas: proprietary device centering on "a-Si Photoreceptor Drum"; long-life xerography process; controller technology; and software network

¹¹ Based on the Interviewed with Yoshihiro Tagawa on September 9th, 2016.

¹² Based on the Interviewed with Yoshihiro Tagawa on September 9th, 2016.

¹³ Based on the Interview with Kouji Seki on October 18th, 2016.

¹⁴ Based on the Interview with Yoshihiro Tagawa on September 9th, 2016.

¹⁵ Based on Internal documents as well as the interview with Keiji Itsukushima on December 13th, 2016.

¹⁶ Based on Internal documents as well as the interview with Keiji Itsukushima on December 13th, 2016. Kyocera has a past of developing a copier (analog) in 1980, but it effectively retreated from the business in 1984. By taking advantage of its technical legacy, it has a history of selling its unique product during the early days of the laser printer market.

technology. The long-life xerography process was known as “Ecosys technology” in and outside of the company. On the other hand, the strengths of the old MITA Industrial lied in its possession of mechanism technology that could design a fairly complicated product called the copying machine, and its mechanical design technology of peripheral systems for paper feed and post processing operations.

After KYOCERA MITA was launched in January 2000, a mixed unit was formed together with Kyocera’s Printer Division in its first showing of their synergy, and KYOCERA MITA’s first ever black and white digital Multi-Functional Product (MFP) KM2530/3530 went on sales in August 2001. This product line adopted “Ecosys technology” that is embedded in Kyocera’s printers, which provides extended lifetime technology. In other words, from the standpoint of total cost and environmental friendliness, it was an enormous success. By combining the two companies’ specialties from the perspective of product development, KM2530/3530 became a symbolic product of the new KYOCERA MITA. The success rapidly brought both companies together.

Production Reform¹⁷

Drawing his conclusion from his long years of manufacturing experience at plants, Seki, who was the Production Manager of Kyocera’s printer business, believed that one of the main reasons for MITA Industrial’s bankruptcy was due to the quality issues arising from its defective production. Separately, he directed Kyocera’s Printer Division and was involved in the mass production of printers at the Tamaki Plant in Mie Prefecture¹⁸. At the time, the standard of MITA Industrial’s design capabilities and knowledge accumulation was high enough for Kyocera’s Printer Division to outsource its designs to them, but he states, there were huge issues with their production quality. The crux of the problem was believed to be the inability on the part of the distributors to conduct aggressive sales due to the large volume of grievances that were reported after installing their finished products to the corporate clients. MITA Industrial was one of first in the industry to build a production site called the MITA Center in Hong Kong, but including its Hirakata Plant in Osaka, its manufacturing method did not meet the acceptable level.

Seki’s pet theory was the potential to generate profits at the production line, and he sought for a site that had the capacity for mass production at a low-cost while he tried to recruit enough factory workers, which led to his decision—by coordinating with Chairman Emeritus Inamori—of constructing a plant at Shilong in China. And through a joint venture with a Chinese firm, the plant became operational from December 2001. The Shilong Plant adopted the production know-how that was engendered at the Tamaki Plant for Kyocera’s printer business, while aligning it to the formula that was unique to China’s local situation. For example, he sought to take advantage of the abundant and low-cost labor force by classifying the work process with relatively short man-hours, and implementing a mechanism where any one of the factory workers could press a button to stop the entire

¹⁷ Based on Internal documents as well as the interview with Kouji Seki on October 18th, 2016 and the interview with Keiji Itsukushima on December 13th, 2016.

¹⁸ Tamaki Plant was a physically small plant which could only allot 100 to 150 members for the assembly work as a manufacturing unit. Therefore, it had adopted a system where through unit structuralization, each unit outsourced its specialization. In the surrounding area of the Tamaki Plant, the outsourcing manufacturers were in position to take on their order, and similar to the Toyota production system, components were delivered under the Just In Time method. In addition, it was the first company to employ the multi-skilled, cell production system, and there was a 170% increase in productivity from the days of straight line assembly. Beginning with Toyota Motor, many companies came to observe—that was how cutting-edge their mechanism was.

production line in order to prevent the creation of defective products: the structural framework based on Seki's philosophy of pursuing excellency in manufacturing had been implemented. Similar to the Japanese counterparts, the management style towards the Chinese workers at the Shilong Plant was founded on the Kyocera Philosophy of "Extended Family" Principle¹⁹ (edited by Itami 2013, pp.199-235).

Sales Reform²⁰

The business model for printers and copying machines is based on the practice of generating profits through the provision of follow-up services after sales. The issue for the Printer Division of Kyocera since its launch has been its uneven sales performance that varied largely depending on the region. Compared to its well-known competitors such as Canon, which was a household name in Japan, and Hewlett-Packard that dominated the US market, Kyocera had been chafing under its not-so-well-known brand name for 20 years. Europe, on the other hand, was not heavily brand oriented and had a high degree of environmental consciousness. It was also necessary to customize the software for business printers that were embedded in the line of work for every commercial entity. As a result, Kyocera's business expansion in Europe was progressing fairly smoothly as it built a network of emerging distributors that were well versed in IT.

For MITA Industrial, their largest sales network had been in the United States, and its hold on business assets was still strong at the time of their bankruptcy. Therefore, with Kyocera's relatively strong foothold in Europe coupled with MITA Industrial's solid presence in the US, they could find synergy in the sales channel aspect²¹. Furthermore, the aforementioned rise in sales has been due to its aggressive overseas expansion, with its sales ratio exceeding 74.4% in 2002, and reaching close to 90% in fiscal 2016.

Business Process and Information System Reform²²

Although Kyocera's Printer Division was integrated into KYOCERA MITA in April 2002, the combined two companies left behind a host of discrepancies in the business process that were cause for major inefficiencies: production items exceeding 50,000; about 200,000 components; four production sites at home and abroad; and four sales groups in the four regions around the world. Furthermore, two different information systems (IS) were at work simultaneously: the old MITA Industrial used an office computer based on IBM's AS400, and Kyocera's old Printer Division utilized a host computer as its platform. For example, the main IS for the old MITA Industrial was being internally developed, and accounting numbers were starting to be calculated automatically. But from the viewpoint of Amoeba Management, all the numbers that had to be managed at midpoint were being calculated without the necessary checks and approval process. In addition, each department had its own Access database, but not a uniform design that was shared company-wide.

For the purpose of shortening the development period and reducing inventories, what Seki did the following year after the completion of the reorganization plan, was

¹⁹ Retrieved April 9th, 2017 from Kyocera Document Solutions' Website about the Shilong Plant "<http://www.kyoceradocumentsolutions.co.jp/plant/sekiryu/outline.html>"

²⁰ Based on Internal documents as well as the interview with Keiji Itsukushima on December 13th, 2016.

²¹ Based on Internal documents as well as the interview with Keiji Itsukushima on December 13th, 2016.

²² Based on the interview with Tetsuya Mori on October 3rd, 2016 and the interview with Masahiko Nishie on December 27th, 2016.

deciding on making a large-scale investment that was more than 10 billion JPY. Specifically, this meant the integration of the business process of the two companies and the creation of the main IS and system integration with SAP/R3 as its base. This was called the Business Innovation (BI) project, and several hundred development engineers were mobilized to create the new main IS. The project was launched in April 2003 and the new integrated system went live in April 2004. Fortunately, the system went operational without any delays, and the goals for inventory reduction and shortened development period were abridged. Even at the point of 2016, business operations are undertaken based on this main IS.

He believes that the efficacy of the Philosophy had been demonstrated during the integration process. For instance, because of the tenets of Kyocera Philosophy such as the law of “Always Double-Check,” it proved to be effective in gaining the understanding of business requirements by foreign employees and in overseas sites²³. The creation of the required approval process—at certain junctures—for the accounting values was streamlined based on the Philosophy. Also, “Transparent Management” had become the system requirement, and Mori feels that there were no additional conditions that were put on them when they had to deal with the Sarbanes-Oxley Act (SOX) later²⁴. In addition, the communication between the employees who share the basic precepts of the Philosophy had helped in creating a sense of unity in their awareness. Lastly, by overcoming this challenging project, Nishie is convinced that the barrier between the staff of the old Kyocera and old MITA Industrial had instantly been taken away²⁵.

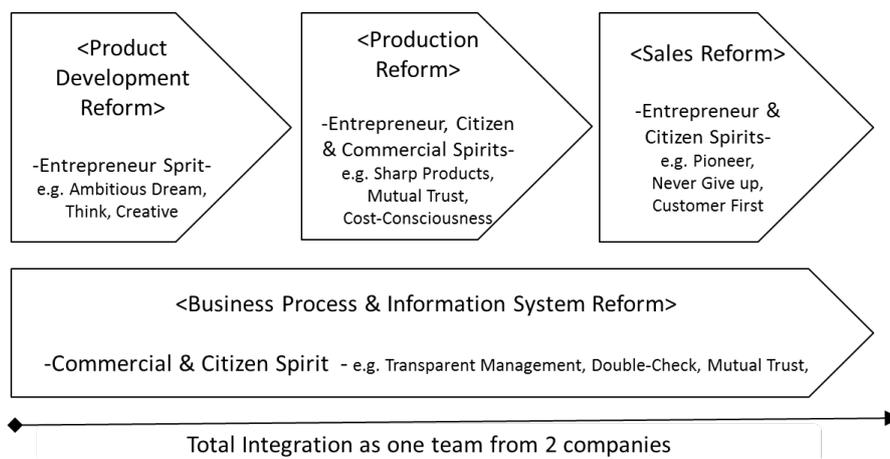


Chart 1. *The Relationship of the Reform Process and the Philosophy*

Putting the Philosophy into Practice: The Case Study of Corporate Photoreceptor Division²⁶

By focusing on the current Corporate Photoreceptor Division of KYOCERA Document Solutions, which has consistently been responsible for the business operations and the development, production, as well as distribution of the photoreceptor drum from the days

²³ Based on the interview with Tetsuya Mori on October 3rd, 2016.

²⁴ Based on the interview with Tetsuya Mori on October 3rd, 2016.

²⁵ Based on the interview with Masahiko Nishie on December 27th, 2016.

²⁶ Based on the Interview with Toru Nakazawa on October 3rd, 2016.

of MITA Industrial until today, this section will describe the practice of the Philosophy in motion—the essence of this paper’s study.

The History of the Corporate Photoreceptor Division

In 1998, as an organization with about 100 staff members, “The Second Process Center”, which found its beginning in the Photoreceptor Laboratory under MITA Industrial, was responsible for research and development (R&D), production and distribution of photoreceptor drums as well as low-end printers. With approximately 80% of its sales conducted outside of MITA, it was known to run a business that was financially independent from its main company: its sales volume was 2 billion JPY with a gross margin rate of 23%.

The Corporate Photoreceptor Division was launched as Corporate Photoreceptor Division at the cusp of revitalization from the fall of 1998, and the attempt to understand as well as implement the Philosophy commences. Nakazawa who led the Division, states that there was an absence of any kind of coherent belief system in the company until then, and he did not know what the judgment criteria was. After listening to Seki’s lecture on Kyocera Philosophy—lasting for three hours—he felt, “This is what I have been looking for.” Subsequently, he bought all the books published by Inamori with his own money and started to introduce as well as share them among his coworkers.

Impact of the Philosophy on the Organization

Reading the Philosophy in Turns²⁶

In July 1999, the Philosophy Pocketbooks were distributed and employees started reading the tenets in turns, marking the beginning of the penetration process of the Philosophy. At the time, many said, “This is obvious, it is easy,” but there were also voices to the contrary, saying, “No one has been able to put these principles into practice.” According to Nakazawa and Odo, there was a scene from a video recording where Inamori was clearly saying, “I haven’t been able to follow through on these principles myself. But I’m doing things with the intent to get better at it,” which gave us courage to keep on trying²⁷. On the other hand, those who kept complaining just left the company.

KONPA²⁸

KYOCERA MITA started the tradition of *KONPA* or get-togethers in a hastily prepared *tatami* mat room. The so-called Kyocera *KONPA*, which Seki started by gathering the executives at the time, was not just about drinking and dining, but rather an opportunity for them to share about what was going on with their jobs. Amid the uncertainty after the bankruptcy, there was a general feeling amongst everyone that the company needed to be reset, and understanding this sentiment; Nakazawa started *KONPAs* in his division. The factory workers from Osaka’s Hirakata Plant—the manufacturing base—would come over to join the rest at the headquarters in Tamatsukuri, also in Osaka, and the *KONPAs* would take place as the whole division came together with monthly targets and slogans pasted on

²⁷ Based on the Interview with Toru Nakazawa and Takahisa Odo on October 3rd, 2016.

²⁸ Based on the Interview with Toru Nakazawa on October 3rd, 2016. I have been given the opportunity to participate in the *KONPA* of the Division twice (on October 4th, 2016 and on the year-end *KONMPA* on December 27th, 2016). I was able to experience the essence of the Philosophy such as the warmth of the Extended Family Principle and a sense of unity. I want to take this opportunity to express my gratitude again.

the wall. As of December 2016, KONPAs have been taking place for more than once a month for 18 years (there may be multiple KONPAs if there are special events).

Utilizing the Phrases as a Means to Communicate the Philosophy

Meetings are held by integrating the phrases from the Philosophy into discussions. For example, if discrepancies have arisen due to scheduling problems, someone may say something like, “I don’t think you’re wrestling in the center of the ring.” These measures have helped the Philosophy to set roots in people’s minds. There are never any tests, but the degree of penetration can be sufficiently gleaned from the junior staff’s interaction during meetings; therefore, it is more important to train them in accordance with their level of grasp over the tenets. Furthermore, the difficulty in striking a balance between the principles of “Customer-First,” and “Maximize revenues and minimize expenses” are amply discussed.

Philosophy Essay

As seen in Table 4, in 2000, KYOCERA Document Solutions started incorporating the practice of submitting philosophy essays to the contest that Kyocera Group hosts once a year. The essay is an opportunity for the employees to take stock of the entire year and reflect on it, as well as set new goals. Nakazawa went through all the essays that were submitted from the Division, provided feedback where it was deemed appropriate and utilized the moment to realign the thinking. Principles that are unique to the Division such as “Impress the customers,” which is another way to say “Customer first,” were found in abundance in the essays, and he states that “The philosophy is deep and wide; the words of the Kyocera Philosophy Pocketbook are very limited.”

Hourly Efficiency Reports

Implementing Amoeba Management’s hourly efficiency reporting has made it extremely easy to visualize business expenditures. In addition, Nakazawa admits that he was surprised to find out the substantially high ratio of the general administrative expenses compared to the estimates he has made during the conventional MITA Industrial days. The efficiency reports are intended for monthly management, but this Division conducts a check three times a month, adhering to meticulous control, and productivity has increased to the point where the pre-tax profit margin changed in the vicinity of 40%. Furthermore, because of the intense intra-division price negotiations—another feature of Amoeba Management—there is a tendency for the Divisions in becoming concerned only for their own bottom line. However, through the alignment of vectors as a result of the “Extended Family” Principle, Nakazawa emphasizes that Amoeba Management has been able to function. In fact, Odo said, “Chairman Emeritus Inamori said that without the Philosophy, one cannot understand the business process only with Amoeba Management .²⁹”

Other activities to help the Philosophy penetrate from the perspectives of “Extended Family” Principle and “Sharpen Our Minds” that are based on the tenets are being continuously undertaken: the hosting of the company-wide athletic day with almost a 100% participant rate; summer festival in conjunction with the local region; and cleanup activities by the employees every morning.

²⁹ Based on the Interview with Takahisa Odo on October 3rd, 2016.

The Impact of the Philosophy at the Shilong Plant, China³⁰

In 2003, the so-called drum plant, a generic mass-production line for the photoreceptor drum of the Photoreceptor Division, became operational inside the Shilong Plant of China. Currently, there are four Japanese and about 270 Chinese staff working, in which Chinese holds the eight managerial positions. By utilizing the Philosophy Pocketbook, which has been translated into Chinese, tenets are read out loud in turns every morning, including the Japanese staff. Once it is read out, the manager will add their comment—similar to the Japanese style. Nakazawa states that he goes to the plant every month without fail and by sharing management issues as well as thoughts on the Philosophy, he feels the gradual penetration of the Philosophy has taken place. Comradery and Extended Family Principles are highly valued, and it has been a norm to create a bond that provides a sense of unity with the Japanese Division. For example, the Division awards the 10-year commendation of continuous service; gives the poetry card with the writing, “Keiten Aijin: Respect the Divine and Love People” on it; bestows a ball-pointed pen with the staff’s name on it; and provides group messages as well as video letters. This plant has an extremely low turnover rate of 3%, which is almost unheard of in the migrant labor culture of China.

DISCUSSION

The main research question for this study was: “Does corporate management based on the Philosophy actually able to induce business revitalization? If so, why?” To deepen the understanding for this point, the case study was organized by establishing the following working research questions: “What was the process of business revitalization? How were the implementation and utilization of the Philosophy practiced and devised during the revitalization phase?” In this section, using the research question as the main focus will make an analysis.

Philosophy-based Management for Corporate Transformation

For its transformation, KYOCERA MITA was relaunched by establishing its principle: “To provide opportunities for the material and intellectual growth of all our employees.” This belief is what lies at the heart of the Philosophy, which speaks to the shared value of what it means to work at a new job and its contribution for the creation of unity at the workplace. This study has been able to confirm that management founded on this tenet has indeed been practiced. For example, the Extended Family Principle—the creed that treats employees as if they are part of the family—has been at play. Specifically, the prompt arrangement of staff cafeteria and the KONPA room, as well as the same salary and company benefits as KYOCERA—despite having been a revitalized company have demonstrated this. The Philosophy has proven its efficacy during the challenging period of the initial phase of KYOCERA MITA’s recovery: the formation of unity and the integration of the copying machine business with the printer business. In fact, the staff that experienced MITA Industrial’s bankruptcy said that the Philosophy had an enormous impact on them.

It is noteworthy to mention about the various concepts that seem contradictory are effectively utilized on an individual basis through the practice of the Philosophy, but simultaneously pursued for their synergistic effects. For example, the execution of “severe

³⁰ Based on internal information at KONPA (on October 4th, 2016 and on the year-end KONMPA on December 27th, 2016) as well as the Interview with Toru Nakazawa and Takahisa Odo on October 3rd, 2016.

price negotiations between divisions” (Amoeba Management) is founded on the shared culture of “Extended Family” Principle; and while the tenet of “Pursue Profit Fairly” is being sought, price setting based on “Maximize revenue” is being concluded, but only on the understanding that the “Customer-First” Principle has been thoroughly exercised. Others include, the concurrent search of “self-interest” and “altruism.”³¹ These conflicting spirits—in practice—seem to be balanced through the following dynamism: temporal alignment; reciprocal functionality between divisions; and the hierarchical differences between managers and non-managerial staff.

Another interesting discovery was the fact that expressions of Philosophy themselves could change flexibly. Sometimes, staff would communicate to each other by not the exact words found in the Philosophy Pocketbook. For instance, the “Customer-First” Principle could be practiced by another expression, “Impress the Customers.” The basis of this approach is founded on the interpretations gleaned from Inamori’s expressions that were mentioned during his lectures or the sayings found in the journal “Seiwajyuku,” or the understanding based on management philosophy or the Philosophy itself. It is an interesting finding that Inamori management philosophy has worked dynamically and effectively while changing its form independently according to the business model (e.g. manufacturing of finished products and service provision) and the characteristics of the organizational culture.

The Philosophy and Amoeba Management

Inamori (2010) and Inamori (2013) were referenced for Amoeba Management. In his lectures, he talks about the background of the birth of Amoeba Management, its objectives and the importance of management philosophy. True to the preceding studies, Kyocera’s Amoeba Management is a unique management accounting method that has been created to track the changes in the market by empowering the manufacturing division to book their own sales coordinate fair pricing through intra-company sales and purchasing process; elevate cost consciousness; and to have a grasp over the current numbers. For the revitalization process, it has been confirmed through this case study that the transparent management system has helped the understanding over the actual amount of the added value for each unit; increase cost consciousness; and strengthen the sense of participation by all.

At the same time, values based on the Philosophy are embedded in Amoeba Management. For example, it should be noted again that the “hourly efficiency report” has been designed to exclude personnel cost. According to Inamori, the inventor of this system, when the amount of salary of every employee becomes transparent too, especially for the case of Amoeba Management with only a few members, it creates tension within the company. Therefore, to prevent this from taking place, it was decided to leave out the information. Also, it is not some compensation system based on a result-oriented approach that corresponds to the added value amount that is espoused by Amoeba Management. Similarly, when intra-division sales and purchasing takes place, Inamori desires that price setting should be founded on the integrity of the person, as well as fairness and compassion—not based on profit or loss. He also seeks for an ethical operation that is

³¹ In cases like, “Be Bold, Yet Meticulous,” “Have a Well-Balanced Nature,” and the “Fighting Spirit to Attempt the Impossible,” each Philosophical tenet encompasses opposing concepts yet encourages simultaneous resolution.

absent of any kind of window-dressing, and expects the frontline to input the figures with a sense of justice.

As has been accurately stated by Inamori, and similarly, as it has been demonstrated through this case study, is the emphasis put on the importance of Kyocera accounting system and Amoeba Management with the Philosophy serving as their platform. For sure, Amoeba Management can be sought as an effective tool to realize the commercial spirit. However, what has been implied in this case study is the fact that the practice of the Philosophy encompasses the exercising of Amoeba Management, and I would like to emphasize their indivisible relationship. I would like to make a point about the inseparableness of the Philosophy and Amoeba Management.

The Entrepreneurial Spirit Found in the Philosophy

In this case study's interview, and beginning with Seki, the importance of leadership amongst onsite chiefs has been emphasized. Specifically, the PMI of this case study, which is accompanied by corporate revitalization, seemed to be a series of continuing hardships. Amid the challenging environment, they had set high goals; earnestly engaged in the rebuilding process; made courageous decisions, and never gave up until they achieved success—all based on the Philosophy. For example, the integration of the copying machine and the printer business in a short time frame, as well as the Big Bang method where the entire system was switched over to the new one all at once during the unification of the Information System (IS) symbolize the success brought by the Philosophy. They are a group of professionals burning with passion. The Philosophy contributes to the creation of a strong desire or sense of tenacity during the process of achieving high goals or in the midst of the unforgiving revitalization phase in relation to corporate reconstruction or PMI. It is believed that Inamori's entrepreneurial spirit lies at the bottom of this.

When the Philosophy was classified in accordance with the three management spirits for the sake of it, I became aware that there were more sentences in relative terms pertaining to the entrepreneurial spirit than the citizen's spirit such as diligence or cost consciousness that is associated with the commercial spirit (see Appendix B). The degree of preference should never be judged based on the number of sentences that appear in the Philosophy, but the fact that the belief system with regards to entrepreneurship has been blended in the Philosophy and passed down to the organization has been well established.

In addition, it is emphasized that the demonstration of on-site leadership based on the Philosophy. As what the case with Seki's leader education, the Kyocera pocketbook clearly states "A Leader's Character" and "Important Attitudes for Leaders", and the leadership of the field including the executive is polished. Indeed, in Kyocera's personnel evaluation system, how much leaders are practicing philosophies is requested. Philosophy-based leadership seems to be the driving force of the corporate transformation phase.

CONCLUSION

Theoretical Implication

Regarding the case of KYOCERA MITA, the main findings related to the theoretical aspect of business administration are as follows. In specific moments during corporate transformation, I see the efficacy of the Philosophy in skillfully promoting the various conflicting views for the execution of business—believed to be necessary in business management. In turn, this leads to a resolution between these opposing concepts while

valuing both perspectives demonstrated by the spirit of management. It seems feasible that the management based on Inamori Management Philosophy can successfully induce and bring about a solution to the meaningful but contending concepts represented by Kagono's (2010) commercial spirit versus the entrepreneurial spirit, or citizen's spirit versus commercial spirit (see Chart 2).

It is an interesting finding that the Philosophy has worked dynamically and effectively while changing its form independently according to the business model and the characteristics of the organizational culture.

Regarding Amoeba management, I revisit the relationship with the Philosophy. I infer that Amoeba management can be positioned as an effective means to realize the "commercial spirits" mainly. This is to infer that when compared to the preceding studies that I already touched upon, the degree of interpretations—on the question of indivisibility—differs depending on the researcher or the objective of study. But here, I would like to make a point about the inseparableness of the Philosophy and Amoeba Management during the corporate transformation.

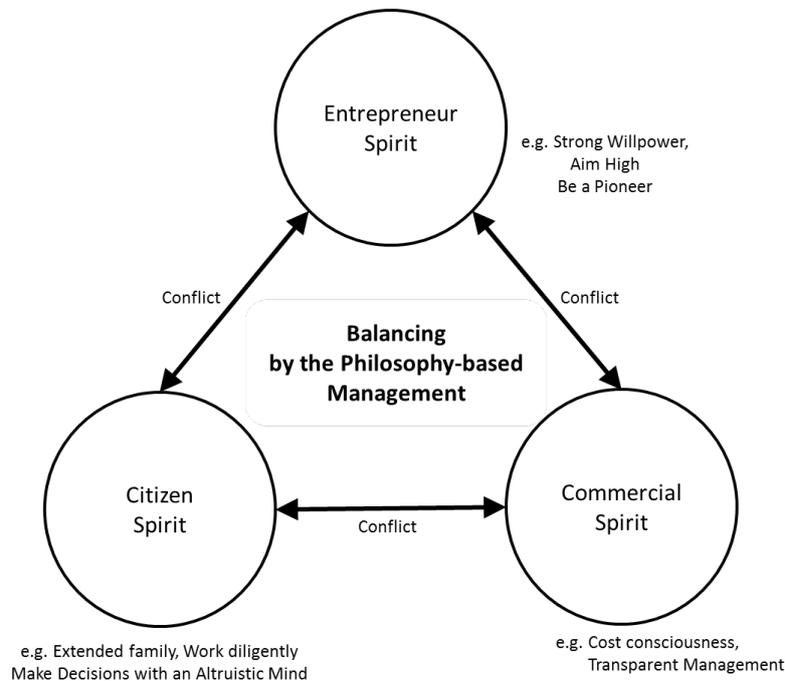


Chart 2. Conceptual Framework of the Philosophy-based Corporate Transformation
Described with reference to the consideration of this case study based on Kagono (2010)

Managerial Implication

It is inferred that KYOCERA MITA's corporate transformation case itself suggests the effectiveness of management based on Inamori Management Philosophy.

First, the Philosophy contributes to the sharing of values with regard to work methods in a new workplace and helps foster a sense of unity as a spiritual stronghold during corporate revitalization. It seems that this comes from the spirit of the extended family principle based on the Philosophy of "pursuit of the material and intellectual growth of all employees". Second, the Philosophy contributes to strong willpower, which is necessary in the process of corporate revitalization and PMI's severe rebuilding. Inamori's

entrepreneurial spirit seems to be the source. Third, in corporate revitalization and PMI, the spirit of pursuit for profit and cost consciousness as shown in the practice of Amoeba management provided guidelines to raise organization's member's awareness of the profitability by rational decisions. The principle of Transparent Management enhanced individual awareness.

Agenda for further research

As I have already mentioned in the paragraph on abduction with regards to the study's methodology, I aim to discover and produce a hypothesis by comparing different case studies while adhering to historical methodological theories. For that, it is necessary to seek certain numbers of case studies with a track record of corporate transformation, which has incorporated and utilized the Philosophy. Furthermore, the ongoing issue is the continual refinement of the hypothetical theory through additional case studies based on the research method of comparative case study and abduction. In addition, it is equally important to take up on those cases where the results were insufficient even though the business entity had implemented and executed the Philosophy. Also, it is crucial to carefully analyze the prerequisites with regards to the corporate management based on the Philosophy for corporate transformation.

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³² I also would like to thank the students (Natsuka Kiyama, Syoun Tsukino, Shuntarou Shimizu, Sonoko Masaki, Kei Matsuda, Rino Yasuda) of Yoda's seminar of Ritsumeikan University as research assistants.

³³ Special visiting professor of Konan University and professor emeritus of Kobe University

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Appendix A: The list of Interviewees

Name (the time frame of the interview)	Primary affiliation	Former career
Koji Seki (3.5 hours)	<ul style="list-style-type: none"> • Production Manager and Executive Director of KYOCERA Corp. • Reorganization Trustee of Mita Ind. (transferred from KYOCERA Corp.) • First President and Adviser of KYOCERA MITA Corp. 	Cybernet Electronics Corp./KYOCE RA Corporation
Yoshihiro Tagawa (2 hours)	<ul style="list-style-type: none"> • Manager in Human Resources Department of KYOCERA Corp. (Transferred to MITA Ind. from KYOCERA Corp.) • First Senior General Manager of Corporate General Affairs Division, KYOCERA MITA Corp. • Director and Senior Managing Executive Officer, KYOCERA Mita Corp. 	KYOCERA Corporation
Dr. Toru Nakazawa (2 hours)	<ul style="list-style-type: none"> • Chief of Photoreceptor laboratory, MITA Ind. • Manager of Corporate Photoreceptor Division, KYOCERA MITA. • Senior General Manager of Corporate Photoreceptor Division, KYOCERA Document Solutions Inc. • Adviser of Corporate Photoreceptor Division, KYOCERA Document Solutions Inc. 	MITA Industrial Co., Ltd.
Keiji Itsukushima (2 hours)	<ul style="list-style-type: none"> • Manager of Printer Business Division, KYOCERA Corp. • General Manager of R&D Division-3, Corporate R&D Division, KYOCERA Mita Corp. • Director and Managing Executive Officer, and Senior General Manager of Corporate R&D Division, KYOCERA Mita Corp. • Director and Senior Managing Officer, and Senior General Manager of Corporate Quality Assurance Division, KYOCERA Document Solutions Inc. • Managing Executive Officer, General Manager of Corporate Communication Equipment Group, KYOCERA Corp. • Information systems department, MITA Ind. 	KYOCERA Corporation
Tetsuya Mori (1.5 hours)	<ul style="list-style-type: none"> • MIS (Management Information Systems) Department, KYOCERA Mita America, Inc. • General Manager of Corporate IT Division of BPR Division, KYOCERA Document Solutions Inc. 	MITA Industrial Co., Ltd.
Masahiko Nishie (1.5 hours)	<ul style="list-style-type: none"> • Technical Service Engineer, Okayama Service Center, Mita Ind. • Senior Manager, BI (Business Innovation) Project Division, KYOCERA Mita Corp. • General Manager, Corporate Business Support Division, KYOCERA Document Solutions Europe B.V. • General Manager of Corporate Audit Division, KYOCERA Document Solutions Inc. 	MITA Industrial Co., Ltd.
Takahisa Odo (1 hour)	Senior General Manager of the Corporate General Affairs Division of KYOCERA Document Solutions Inc.	KYOCERA Corporation

When You Think It's Time to Give Up, the Real Work Begins	Entrepreneurial spirit
Change the Way of Thinking about Quality	Entrepreneurial spirit
Fighting Spirit to Attempt the Impossible	Entrepreneurial spirit
Conquer Obstacles	
Possess True Courage	Entrepreneurial spirit
Raise Our Fighting Spirit	Entrepreneurial spirit
Carve Our Own Way	Entrepreneurial spirit
Say It and Do It	Entrepreneurial spirit
Think Through to Visualize the Results	Entrepreneurial spirit
Never Give Up Until We Succeed	Entrepreneurial spirit
Reflection on Life	
The Result of Life or Work = Attitude X Effort X Ability	Citizen's spirit, Entrepreneurial spirit
Live Each Day Earnestly	Citizen's spirit
Your Life Is an Expression of Your Mind	Entrepreneurial spirit
Have Ambitious Dreams	Entrepreneurial spirit
Is My Motive Virtuous or Selfish?	Citizen's spirit
Lead Our Lives With a pure Mind	Citizen's spirit
A Small Good Is Like a Great Evil	Citizen's spirit
Reflect on Our Behavior Daily	Citizen's spirit
The Heart of Management	
Management Based on the Bonds of Human Minds	Citizen's spirit
Pursue Profit Fairly	Commercial spirit
Follow Truth and Principles	Commercial spirit
Practice the "Customer-First" Principle	Citizen's spirit
Management Based on the "Extended Family" Principle	Citizen's spirit
Follow the Merit System	Entrepreneurial spirit
Emphasize Partnership	Citizen's spirit
Management by ALL	Entrepreneurial spirit
Align Mental Vectors	Entrepreneurial spirit
Value Creativity	Entrepreneurial spirit
Transparent Management	Commercial spirit
Aim High	Entrepreneurial spirit
At Kyocera, Everyone is a Manager	
Pricing Is Management	Commercial spirit
Maximize Revenue and Minimize Expenses (Measure Your Inflow and Control Your Outflow)	Commercial spirit
Produce a P&L Report Daily	Commercial spirit
Hold Sound Assets Only	Commercial spirit
Project Our Abilities into the Future	Entrepreneurial spirit
Make Targets Well-Known and Understood	Entrepreneurial spirit
Performing Daily Work	
Elevate Cost-Consciousness	Commercial spirit
Be Frugal	Commercial spirit
Buy Only What We Need, When We Need It	Commercial spirit
"On-site" Management	Entrepreneurial spirit

Value Knowledge Gained Through Experience	Entrepreneurial spirit
Make "Sharp" Products	Entrepreneurial spirit
Listen to What the product Says	Entrepreneurial spirit
Commit to the Principle of "One-to One" Correspondence	Commercial spirit
Always Double-Check	Commercial spirit
Grasp Matters Simply	Entrepreneurial spirit