

Morio Ikeda, President of Shiseido Co., Ltd.

Leadership with emphasis on the feeling of serving people

Leadership with the theory-in-practice of “Serve,” which he finally reached through his career and experiences

Profile

March 1961 - Graduated from School of Divinity of Tokyo Union Theological Seminary

April 1961 - Joined Shiseido Co., Ltd.

February 1979 - General Manager of Executive Group, General Affairs Department

August 1985 - General Manager of General Affairs Department

October 1986 - General Manager of President’s Office

February 1988 - General Manager of Secretarial Department

June 1990 - Executive General Manager of Executive Group

June 1995 - Director, Corporate Executive Officer

June 1997 - Director, Corporate Senior Executive Officer

June 2000 - Representative Director, Executive Vice President

June 2001 - Representative Director, President & CEO

It is really challenging to be a president in a global representative company in Japan with the traditions of a world-class brand. This is especially so in these days because the current times present various challenges of management reforms. Even in an excellent company, I think it is difficult to hold management accountable when it faces the various challenges of management reforms in a significantly changing environment.

However, there are rarely opportunities in which such simple questions are directly addressed. Most journalism articles on top interviews at the time of inauguration have space limitations, so there are few articles in which we can deeply feel the principles of those individuals who became new presidents. Mr. Morio Ikeda, a president with whom we had an interview on the page of top interviews of *Business Insight*, took up the post as the 12th president of Shiseido Co., Ltd. on June 28, 2001. He promoted management and organizational reforms with the basic vision of being “storefront-oriented” under the slogan, “Skincare House Shiseido.” We were very impressed that he had provided me with a profound response to my direct question.

Shiseido is a company that generates excellent goodwill and places emphasis on its brand and corporate culture. At the same time, the company has experienced several turning points in its history and made management reforms each time. When it comes to implementing reform, the leadership of the top management is tested.

In this era of reform, strong leadership like that of Jack Welch becomes a topic of conversation, but it is not the only effective style. We have often said that the enthusiasm and vision behind the leadership of “I’ll take the initiative” were important. While it’s true that we definitely need a vision that explains, “Where will we be led to,” there are many ways of achieving that vision. The top-down style of leadership of “Follow me” is one example, but there is also leadership in which the president serves the employees under the vision that results in serving customers, clients and corporate stakeholders. The latter does not feature a top leader

pulling a follower along strongly while loudly proclaiming, “I’ll do it. I’ll take the initiative,” but rather a leader at the bottom level takes the approach of patiently serving and managing in accordance with an organizational image of an inverted pyramid and gives his support quietly and thoroughly from the bottom.

There are few opportunities for the president to come right out and ask the employees, “Are you working hard to support the president?” or “Does the president exist to support you?” I think these are ridiculous questions. It sounds like he is giving lip service and saying, “Of course, the latter.” If so, how seriously he thinks about the issue is bound to become a question.

As you know when you read the record of this interview, Mr. Ikeda seriously thinks that the president should have no hesitation in supporting and serving the employees. Especially, he is sure that the most important thing is for those employees who work closest to customers on site, especially “in the store,” to serve customers and for management to support those employees.

We call it “servant leadership” in recent business administration, wherein a leader acts as a servant to a follower who works based on a mission and vision such as being storefront-oriented.” Mr. Ikeda developed the concept of how new leadership should perform as well as the underlying ideas. He didn’t learn it from other people, but from his character and his own experience. He precisely seeks “servant leadership” and puts it into practice. It can also be called leadership theory-in-practice that supports practice rather than leadership theory as written in a book.

It became well known in an interview after he assumed that post of president that he originally studied to become a priest. However, without completing the master’s course of the Theological Seminary, he made his start instead by joining Shiseido through a chance meeting, and was dedicated as a secretary to serve five executives who had climbed all the way up to president. He absorbed many things about management and leadership while he was serving them and finally took up the post of president last year. He naturally adopted servant leadership as his theory and put it into practice according to his natural character, the spirit in which he originally sought to become a priest, his religious but natural attitude as a Christian, his heartfelt love of yachting and the nature of the sea and his work experience as a secretary.

In the Editorial Dept. of *Business Insight*, we asked him in this interview about his character, career, and management reform in relation to the idea of servant leadership. We thus were able to give readers the first account of servant leadership theory by a Japanese top executive in his own words and based on his own experiences.

The origin of the idea to serve people

Become a priest or get into the business world.

Editor: I’m always interested in how people who become the president of representative companies in Japan got into the business world and what experiences they had. In your case, I heard you were supposed to become a priest. First, could you explain this in talking about your career and leadership?

Mr. Ikeda: I think this is just my personality and doesn't have any reasons. Nothing gives me greater pleasure than someone really appreciating my help, such as being useful to someone or for something. I just feel it is my nature. So, I have the desire to naturally serve and administer to people. I'm a person who tried to become a priest, so I place great importance on helping society and many people as much as I can in the spirit of serving God. I always have such thoughts in my daily life, and I also think that way when I finish something and move forward to the next step. I think this feeling naturally exists in my mind.

That is why I was going to become a priest. As the times changed, I thought that executing my mission only in the world of religion wasn't necessarily appropriate for myself, so I drastically changed my direction.*1 But even in changing my direction and job, I potentially wanted to continue to help as many people as possible through my work.

Encounter with a teacher of free Zen

Mr. Ikeda: In such a situation, I had a meeting with a teacher of Osakakoryu-roshi at the Zen school where I sometimes studied. When I talked to him about a big change in my heart at that time and my idea of getting into the business world, he introduced me to Shiseido.

I felt two things at that time: one is that it's true I had a yearning for the company in Ginza, and the other is that I had the image of Shiseido always giving light and enrichment to society. I thought nothing would make me happier than if I became one of their staff members. I took an entrance exam through his introduction and got a position in Shiseido.

Editor: For anybody, taking a job is the first turning point after school to becoming a member of society. In your case, it was not from the world of priesthood but the real world. However, you carried out your basic intention of wanting to do something to help many people. Could you tell me about Osakakoryu-roshi?

Mr. Ikeda: It is normal that he has a temple somewhere and spreads the way of Zen. Buddhism has sects and organization. A temple also has such form and organization. He took the stance of Zaiya-zen and promoted the spread of Zen through his own thoughts without having any organization, or rather than being stuck in a temple, and spread it.

When I first went there, the place was not a temple but an ordinary house near Inokashira Park. When I walked there and found the name, "Musashino Prajina site" written outside, I was very interested. When I looked inside from the yard, there were a lot of participants. It seemed that many of them were students of The University of Tokyo and Hitotsubashi University. It had an atmosphere as if it was a dormitory and they were training human beings there. I felt it was a somewhat mysterious place and had some power, so I decided to join.

Empathy with Free Churchism

Mr. Ikeda: It has no religious color or organization, and that is why I joined without any reservations. Because I might have had an idea close to free churchism that religion doesn't adhere to any style but has a relationship between me and God or Buddha. I was recommended to go to the university by the church because I tried to be a priest of Christianity. I've empathized with the thinking of free churchism by Kanzo Uchimura since that time. Although I never met him because we lived in the different times, I learned many things from his thinking.

I thought that Japanese-style Christianity was like that. I² have a close relationship with Shigeru Nanbara, who became a president of The University of Tokyo and I learned a lot about Kanzo Uchimura from him and Tadao Yanaihara, who also became a president of The University of Tokyo. As for the way of living and thinking of Kanzo Uchimura and Inazo Nitobe, I learned from contacts with Mr. Nanbara and Mr. Yanaihara or from books, which I think resulted in forming my own way of living and thinking.

After that, I almost didn't conform to the style. I always thought Christianity might have various styles in Japanese cultures. So, when I made a shift from being a priest to getting into the business world, although it may normally be a big decision for others, in my case, I was able to change directions naturally.

Get into the business world in year following the campaign against the Japan–U.S. Security Treaty in 1960

Editor: We often have had interviews surveying the starting points of careers. When we ask the reason why individuals entered a company, we can hear various responses. In your case, the first turning point in becoming a member of society from being a student was natural in the flow of your life.

Mr. Ikeda: I think this was a big turning point for me. In my case, at least I changed my direction like that because I just wanted to do so, so I didn't get any help from school in finding a job. It's just my own thinking and the meeting that made me want to get into the world. I had nothing except for the thinking.

I went to some companies by myself, but I was treated quite brusquely before being refused. They said, "Why don't you become a priest?" "Why don't you achieve your original objective?" I thought it difficult to get into the business world unless I had a chance encounter. While I was in such a situation, I met with the teacher, Osakakouryu-roshi.

Editor: It was a chance acquaintance. His blood brother was apparently the second president of Shiseido, Noboru Matsumoto. If you clearly have anything that you want to do, you can get the key to do it fatefully.*3

Mr. Ikeda: I think the meeting with him was a matter of fate. It was in 1960. So, I took the entrance exam and joined Shiseido in 1961. As you know, it was the same time that the campaign against the Japan–U.S. Security Treaty occurred in 1960. Christianity also faced in a very difficult situation. The next year, I was supposed to take the master’s course, but I graduated from the university. If I was to become a priest, I needed to take the course, but I chose to get into the business world.

Secretary as servant

Meet and learn through serving people

Mr. Ikeda: This is also a curious coincidence. The person that I first met was Hideo Okauchi, an executive director at that time. After that, he became president and chairman. I think, since I had such a unique career, he suggested that I work in the secretary office, and that’s why I was assigned to the Secretary Group in the Administrative Dept. This also involves serving someone.

Editor: It is a job directly connected to serving people, because the job of secretary involves serving people as you help executives.

Mr. Ikeda: It seemed to be like that. I always thought I wanted to place myself in such a section and working environment and would like to help executives. While I served them like that, I thought that I would like to place myself in an environment where I can absorb something new.

Although you may know this because this was also widely reported, within a year after I was assigned, I had an opportunity to help in an election of Ms. Aki Fujiwara.*4 This also served people, because I supported Ms. Fujiwara and Mr. Kiyoshi Iijima of the campaign operatives and gave them help.

Mr. Iijima was transferred from the office of Mr. Aiichiro Fujiyama and became an election agent in Ms. Aki Fujiwara’s election. I was going to help her election campaign under the support of Mr. Iijima. Mr. Iijima made a spectacular showing as a political analyst. I learned many things by giving him my support. I think that I absorb new things through serving people. It starts with an opportunity to meet someone. Of course, it is because I had an opportunity to get a job on the election campaign. Meeting with people in and of itself comes from a divine ordinance. Of course, we have opportunities to meet people in an election campaign. I was taught that it’s important how we place emphasis on various meetings, even if only a little. I understood how important meetings were for me, not only in the election but also in my life.

A look at Mr. Masayoshi Ohira, Servant leader

Editor: When I heard about this story, it seemed that there might have been opportunities to meet various people and learn something through the process. If you serve people, it gives you an opportunity to meet people and you can learn some lessons there continuously. Speaking of meetings, you have a story about Mr. Masayoshi Ohira. When you met him fatefully, for example, you felt you had something in common, like you came from the same town and that's why you continued to have a better relationship with him.

Mr. Ikeda: Yes, I think so, too. The election of Ms. Fujiwara resulted in widening my circle of acquaintances. In addition, I was assigned to the secretary section, so I was able to work as a secretary to Mr. Okauchi, who attended the interview when I joined the company. This was also within a year after I joined the company when Mr. Okauchi, executive director at that time, went to the office of Mr. Ohira. I went there with him, had a greeting with him and talked about my career because I was asked and he was very interested in me. He was also a Christian and went through a lot of difficulties and graduated from Takamatsu Commercial High School, so I knew he came from the same hometown.

Those were also curious coincidences. I think he seemed to know that I was his junior in our hometown, at the same time, and felt we both were in the same boat. That's why he was so sociable with me and instructed me as if I were a member of his family.

Editor: Speaking of a servant leader, which is a leader who serves a follower, when you look back at it now, is it going to be your example?

Mr. Ikeda: I can't help the feeling that Mr. Ohira was a big key. I can't help thinking that he died at his duty. As you know, he issued deficit-covering government bonds for the first time when he was a Finance Minister. He was required to have a strong sense of responsibility to deal with the problem. Because he would leave behind debt for the young people of the future, he had a belief that he should settle it clearly. He requested the introduction of retail tax for the reason that we should review the direct-indirect tax ratio like the present consumption tax for the future of Japan. As a result, he had no other choice than to cancel the plan. He died doing his duty in the midst of the ruling party's internally difficult feud. I saw up close how he suffered from it.

I can't help but feel that we all have respective roles or duties, whether they be small or large. I really felt in my heart that there was a way of life wherein we died doing our duty. It's more than 20 years since he passed away in 1980, and since then, I've held such feelings profoundly. This time when I took up the post of President, I immediately recognized my mission.

President as a servant, "Secretary all his life"

Mr. Ikeda: When I took up the post of president, I really had various conflicting feelings about myself. To

become president, I would have totally different responsibilities from those of vice president. I wondered whether I could completely devote myself to being a servant to all the employees of Shiseido and our society.

Editor: It is the inevitable words of “I felt tense when I was appointed as the next President in the board meeting. It’s really powerful if I can sacrifice all for everybody.”

Also, you said, “I would like to be the greatest servant to implement reforms” and, “I would like to assume not a top-down style of leadership, but leadership with total support” in the company newspaper. I think these kinds of thoughts relate to what you learned in the Secretary Section. Any thoughts?*5

Mr. Ikeda: At first, I was assigned to the Secretary Section of the Administrative Dept., after which I was in the Administrative Dept., except that I was in the Sales Department for a year. I worked as a secretary, although I had a different title in each case. I’m a “secretary all my life.” After all, that’s what’s best for me. My mission was “to carry out my spirit of being a secretary all my life” even when I became Executive Director, Senior Managing Director and Vice President. At the congratulations ceremony when I became Vice President, I said it clearly: “Secretary all my life” means after all being a servant. I wanted to carry out my spirit even after I became President. This was probably underpinned by my background of pushing through with such a spirit.

In this chaotic age, it is important to play a leading role with a style like “Follow me,” however there isn’t necessarily only one answer. Especially in Shiseido’s current situation, not only the leadership but also people who are in charge of management need to support their junior staff completely. I would like to overcome this difficulty by supporting junior staff members, and I cannot help thinking that companies need to do the same. So I myself take the leadership in doing so, and at the same time, I strongly seek similar people at the management level.

Serve five successive presidents as secretary

Love them and give them support

Editor: I couldn’t help feeling that your experiences of serving executives and presidents embraced the idea of “support.”

Mr. Ikeda: I think so. Like me, there are a few people who not only have long secretary careers, but also have unique experiences to directly serve five successive presidents. Usually, people serve only one president, but in my case, I was assigned to the Secretary Section or Office, so I was able to serve them as secretary for a long time. When I served them, I put emphasis on loving them completely and giving them complete support. Furthermore, each were very unique in his way because he became president. However, I always gave them respect and served them with my whole heart. I think they allowed me to work as a secretary because I had

such feelings.

Editor: I think there are a lot of people who have worked as secretaries based on the length of their career, quality and depth of experience have a different perspective about the job rather than merely being a secretary.

Mr. Ikeda: I'm sure it is true. The job of secretary should reflect two different sides; an individual side for each person and the large continuous company side. I think I continued to pursue the job on the other side, therefore I was able to serve the five presidents from the three points of an individual, the continuously large side and the balanced side.

I really appreciated that I was always able to work in such an environment. There's no way to say how lucky I've been. I'm very proud of my secretary job, and at the same time I was able to work with a sense of pleasure even if I suffer difficulties. I've faced various external difficulties many times. They were not only personal problems but also problems within the company. However, whenever I tried to deal with such difficulties, I always felt happy. The more I suffered, the greater pleasure I felt when I overcame the problems.

Editor: I understand very well that the expression "Secretary all my life" had a profound meaning. There is one leadership researcher named Peter Block, who wrote a book called *Stewardship**6 for the reason that he appreciated and was impressed by the concept of servant leadership. *Stewardship* means being the steward of a large house, so I think it relates to a secretary's job not only in the personal and continuous sides, but also as you said both the steward and secretary types of servant leadership. If the generations change, people who are servants also change. You loved them and deeply understood the continuous side and completely served great successive presidents, until finally you became president. In order to achieve a vision, you announced "Supporting" and "Serving" to the junior staff and employees on site. It's quite an exquisite concept.

Thoughts on the idea of servant leadership.

Fateful meeting with both human beings and books

Editor: Tom Peters, who wrote several best-selling management books, suggested that people at the managerial level would be better being a cheerleader, supporter or coach. Researchers at the University of Michigan, which was a mecca of leadership research, stated that it's important for managers to have supportive relationships with the junior staff. But we easily forget to "serve" or "support" although we take the flag as if to say, "We'll take the leadership in doing it."

Mr. Ikeda: I would like to have supportive leadership from junior staff based on my real experience and would like all employees to understand my rationale. I thought that I'm very appreciated in performing management

reforms in accordance with the idea of supporting and serving. In such a situation, I heard that there was the idea of servant leadership both in the U.S and Europe. I looked for various documents to study it, but I only found difficult images and stories relating to Christianity there. If they are more religious, although I can understand it, I will have more trouble thinking about how to establish it both in the company and in Japanese society. Meanwhile, I found an article in *Nikkei Business**7 and was introduced to some textbooks*8 and books from Kobe University. I also saw that a priest appeared in these books.

In the Book of Servant Leadership, there is a priest.

Editor: *New Leadership* written by Ken Blanchard is not so difficult for a non-Christian to read because it's not strongly religious.*9 Of course, it's easier for a Christian to understand the idea of service. Buddhism also has similar ideas like "*Otsutome*" (devotions) and "*Gongyo*" (devotional exercises).

Mr. Ikeda: When I heard about the book, I bought it soon after. The book taught me exactly what I was looking for. I felt assured that this was absolutely my mission and I could have the confidence to go forward. Although I've thought that there is nothing except this mission, I'm still a little worried about it. However, finally, I myself was able to make a firm resolution and cast it aside.

Editor: In your case, when you have your own theory that people who serve a follower would be better to become a leader, you just found that there was a theory close to your own. It was an idea way of reading a book.

Mr. Ikeda: I think so, too. In *Leadership by the Book*, there are three people, a successful executive, a consultant and a priest. That they each had different characters completely overlapped my idea.

Editor: A consultant and a priest appeared in a process where a busy businessman who had a heart attack recognizes the importance of serving people. I think this consultant may be "Ken Blanchard" himself. "Heart attack" here is just a joke and not only means "heart attack," but also that "the heart is attacked," meaning that his heart was attacked because he forgot to serve and administer to people and just really worked hard.

Mr. Ikeda: I think so, too. Not only encounters with people, but also experiences with books and articles are all fateful. When I just turned over the pages of *Nikkei Business* and found a column about servant leadership,*10 the content in the column overlapped what I was going to do now.

Several days ago, I had many opportunities to talk about various things with Mr. Kotaro Higuchi of Asahi Breweries, Ltd. because I had a close relationship with him. I happened to have an interview in a magazine house and talked about how "the executive himself completely becomes a servant." I don't know

whether the expression of servant leadership is right or not, but I told him that I would like to aim to take such leadership. He encouraged me and said, “That sounds interesting. You should delve into the secrets of it by yourself.” Accordingly, I was strongly supported by a great mentor through such an occasion.

Just a servant without vision

Big vision of Being “Storefront-oriented” and the Role of his Mission

Editor: Asahi Breweries had big reforms when it introduced “Superdry” in the market. Shiseido also had big reforms including reduction of 30 billion yen of distribution inventory when Mr. Yoshiharu Fukuhara, Chairman Emeritus took the post of President. He also announced visions of “Science to color human beings” and “Successful Aging.” This time you started management reforms under your leadership and implemented what you said, “I would rather be at the bottom of the pyramid. If I do so, I could give feedback well and give support from the bottom.”

Mr. Ikeda: I could refer to the idea of servant leadership when I made my own management and organization reforms with the concept that a store is a place to serve customers; a branch, a place to serve stores; the head office, a servant for branches, which I expressed as being “storefront-oriented.” If I couldn’t get the timing right, I had a little doubt that I would be assured to tell it completely. Now I’m assured and have the confidence to say with my entire being, “All I can do is just this way.” I was given the encouragement.

Content of vision of being “storefront-oriented”

Editor: As for the organization reforms, you said, “Visit branches on site and clearly inform them of how we should change” and “To take action is just as important.” I think many companies have this kind of challenge, too. I’m so interested in how servant leadership and transformative leadership are involved. Could you tell me a little more about the details of being “storefront-oriented,” which should be a key point in the reform?

Mr. Ikeda: What I want to say with “storefront-oriented” is kind of an inverted pyramid. People who engage in working in the store are on the top, which means they are the most important human resource. To say it concretely, they are about 900 beauty consultants. I think there is no way to make this reform succeed unless they’re pleased with themselves that someone gives them gratitude and pleasure throughout their service to keep customers and people in the retail store delighted.

I would like people who are on the front line to realize that customers say, “Thank you” every day and to return their smiles. If they can devote themselves to do such a job that customers say, “Thank you”, I

think this reform is going forward step by step.

Editor: This is also in a sense a chain of service. You said, “the store is a place to serve customers; the branch, a place to serve beauty consultants in the store; and the head office, a servant for the branch.” You, as president, are at the bottom.

Mr. Ikeda: To put it simply, it is just like that. I would like all beauty consultants to have confidence that they are supported by all the employees of the Shiseido Group on the front line, and to engage in activities in the store and serve customers. If they are really given gratitude by the customers for such ordinary activities, the feeling of gratitude will give me pleasure at the bottom of pyramid.

Such gratitude and pleasure are given as feedback from the front line to the bottom, which is expressed in an inverted pyramid as the people in charge of management. It also means that we will change the feeling into energy to support the front line.

With such energy circulating on the front line, I hope we will be able to give it more deeply. This reform will not be successful without such complete circulation. I cannot say it is successful if there is no such circulation.

Going back to the basics and organization reforms

Things not to be changed and to be changed

Editor: When Mr. Fukuhara, Chairman Emeritus, was president, there was a corporate slogan of “Science to color human beings.” In your reforms, do you express what you will achieve and the basis that you’ve had since the foundation with the words “Skincare House Shiseido”? When I saw an interview*11 with your employees about the idea of being “storefront-oriented,” you said, “When I joined the company, it was just like that.” Being “storefront-oriented” is one of the back-to-basics points, isn’t it? It seems that an invariable key is also important.

Mr. Ikeda. Yes. We call it “Skincare House Shiseido,” which expresses going back to the basics. I always think it was the real idea at the foundation. Three prayers by Reinhold Niebuhr, who is a person of religion and a philosopher, are expressed as follows: O God, give us serenity to accept what cannot be changed, courage to change what should be changed, and wisdom to distinguish the one from the other.

I always keep them firmly in mind when mounting a challenge. After all, all things are a challenge as our perfect mission. There is a saying of our company founder, Arinobu Fukuhara, which states “Let the product speak for itself.” We place emphasis on things relating to products. While I always remember his words, I think the whole group should not only manufacture products but also handle them with feeling.

Important to clear up a misunderstanding

Editor: If none other than Ken Blanchard, the writer of *New Leadership*, among people identifying with Robert K. Greenleaf,*12, who proposed servant leadership, there may be a misunderstanding that it will be something visionary. He emphasizes that he can't give anyone service without vision. First, the conditions of a servant leader are naturally to have the feeling that he wants to serve people. He suggests one more important thing, in that he can judge what he serves and why he serves people and explain this to them when he really begins to take leadership.*13

On the other hand, you suggest that helping and serving is your job and at the same time you have a clear image of how you want to change Shiseido, including of course financial objectives. I found that visions that occurred from the place close to roots of being "storefront-oriented" and "Skincare House Shiseido" supports performance to serve people. You think it is important that branches, the head office, all managerial positions, executives and the president thoroughly support employees to serve customers.

Mr.Ikeda: I understand that I can suggest servant leadership and put it into action because I have many visions.

First, it is necessary to decide on a big vision. Although a vision in a sense is given from the top to the bottom level, you cannot serve people without it. A servant is not just to completely become a follower, so I absolutely would like to avoid being misinterpreted that I started to just serve people without any vision. When I talk about it with other companies' presidents, I could be easily misinterpreted like that. We can't become a servant leader without a clear vision.

Editor: When I talked to students about a servant leader in my seminar, I'm misinterpreted; for example, they said, "If you serve us, can you make a copy of my resume for announcement of the seminar?" It is important for me as an instructor of the seminar to serve them, largely for giving directions. It is contradictory that I'm a leader as well as a servant or follower. It's also important to have a large, sublime vision on the basis of giving service.

Mr Ikeda: Yes, you're right. You have to make them understand it completely. It is a very important thing. The reason I can talk about it clearly in our company is because I have such a vision. We've already had the clear direction of being "storefront-oriented," so I would like all employees to understand about giving a service in practice. A magazine wrote, "the president is a servant for the employees." I'm a little embarrassed to see that expression because it is inappropriate.

Editor: The expression of being a servant leader is easily misinterpreted, so it's very important that the concept of servant leader includes the customers and the big visions behind it.

Sea and Yacht on the B-side

Editor: I mainly asked you about your business activities. Taking the style of Mr. Fukuhara, how about your “B side”?*14 I heard that you originally liked yachting and movies.

Mr. Ikeda: I learned a lot of things from yachting. I think people who have experience in sailing a yacht always feel the courage and satisfaction of fighting against a headwind.

I can learn about life itself through the sea, and I especially feel that it teaches me a lot of the elements of management itself.

Because there is the quiet and windless condition of the sea, if we take it lightly, we can be dealt a major counterblow. It also teaches us to always maintain a sense of tension as well as to have respect for nature. So I learned many things from nature.

I have natural feelings in that I always respect contacting the existence of other people, the other side of a person or other people who face us in human relationships and our society, and that I always give respect to the greatness of existence and the sense of existence itself. It may relate to what I previously pursued in my religious career, and at the same time I naturally learned it from my experiences through yachting.

Live in the flow and nature and learn more about the idea and practice of servant leadership.

Editor: I feel very strongly that you really focus on the flow of nature. In fact, Robert K. Greenleaf, who suggested that servant leadership also emphasizes that it starts with a flow from a natural feeling of wanting to do a favor for people or to serve people. It starts with the feeling first, and next takes leadership with careful choices. First, when a person who can serve people with a natural feeling makes a voluntary choice at this time and realizes that he has to play a role in taking leadership, servant leadership starts from there. That was an idea of Greenleaf.

When married people have children, or when young single people have a person they really like, they first should have the feeling that they want to serve them. What they think when they want to take leadership comes next. Whoever has the experience of love even once can understand it. This means that we don't have to force ourselves to become a servant, but that we have natural feelings to do so. As you cleared up a misunderstanding before, the important condition is to have a large vision and a good mission. Thank you very much for giving me such profound stories today.

Mr. Ikeda: I so appreciate that I was able to talk about my experiences relating to the idea of servant

leadership at the right time. If I hadn't found the column in *Nikki Business*, I wouldn't be here today. I'm very glad because I might not have dealt with these management reforms with the mission until now if I hadn't found it. In this interview, I was able to ensure my thoughts as my beliefs, and I would like to say, "Thank you very much."

Editor: You're welcome. Thank you very much for giving me so much of your precious time. In the faculty of Business Administration of Kobe University, which has the administrative offices of the Research Institute of Advanced Management, we are looking forward to having top management courses by representative top management people in Shiseido, including yourself, this year and we also appreciate having such an opportunity. Thank you very much again. I hope we will write a book about servant leadership together some day.

From the Editor

There is an atmosphere in Ginza with appealing points that are unique to the district. Whenever I visit the head office of Shiseido, I remember its history of over 130 years, which started with a western-style pharmacy and cultural support by Shiseido Gallery, various interactions and serving meals in Shiseido Parlour. (Two of us in the interview group were invited to have a special dinner with the president and general manager of the Corporate Planning Section in a private dining room of the new Shiseido Parlour after its makeover.)

We interviewed Yoshiharu Fukuhara, Honorary Chairman, when he was previously president. (See "Company Roots, my own style," *Business Insight*, Vol.3, No.4, pages 76-96.)

We conducted the interview in a reception room of the head office. We were very impressed to see the magnificent furnishings and interior decorations. We were given so much precious time to conduct the interview. We had planned to ask about his career and several experiences that had made him change and grow a lot, but when we started talking with him, our conversation moved naturally to servant leadership. He told us that we would have difficulty in summarizing his stories, because they drifted from one place to another, but we had no problems in editing them naturally because they were clearly based.

In Kobe University, which includes the administrative offices of the Research Institute of Advanced Management, we will have the opportunity to directly learn about the management of Shiseido from executives in the top management courses for students who are in Business Administration, 2002. President Ikeda will join us there. Mr. Fukuhara, Honorary Chairman, will speak on a platform in classroom 102. (A workshop will also be held if there are enough participants.) We're so appreciative that Mr. Fukuhara, a former president, and Mr. Ikeda, the current president gave us so much of their precious time for the interview, and that the executive team of Shiseido and the people in the Corporate Planning Sections of the head office had already issued an excellent lecture plan in the top management course. We hope the record of this interview will be used as an interesting and meaningful document, not only for the readers of *Business Insight* but also for Mr. Ikeda and those who are related to Shiseido.

<Note1-14> 6、13は、英文なのでそれ以外の下記注を翻訳してあります。

1. As he said later in the interview, he also said in other interviews that he wanted to get into the business world without being a priest because Japanese society was shaken by the student movement (campaign against the Japan-U.S. Security Treaty) in 1960 before the year of his graduation.

2. He comes from Takamatsu City, in Kagawa prefecture.

3. John Krumboltz, Professor at Stanford University who researches career counseling, focuses on happenstance elements in developing careers and explores the theory of “Planned Happenstance.” This means that we can take advantage of the happenstances in our performance when there is an indication of roughly the direction we should proceed.

4. She was born in 1897 (the 30th year of the Meiji era) as the third daughter of Hikojiro Nakamigawa, who built the Mitsui financial group. She loved Yoshie Fujiwara, who was a tenor, which received a lot of publicity as the love of the century. Her name is familiar to people in certain generations. She developed the Fujiwara Opera Group for years and had worked as Cosmetic General Manager in Shiseido since 1954. She performed regularly on “My Secret” on NHK. In 1962, she had the election campaign that was mentioned in this interview and ran for the House of Councilors from a national constituency supported by the Democratic Party in the wake of her high popularity, and as a result she was elected with the largest number of votes. After that, she also worked as an adviser to the cosmetic office of Shiseido and became deeply involved in Shiseido.

5. *Evening Newspaper Fuji*, November 30, 2001, page 7

7. Toshihiro Kanai, “Indirect Department Needs Strategic Characteristic,” “Become a Leader to Serve People,” *Nikkei Business*, July 30, 2001, page 38

8. Toshihiro Kanai, “Be a servant leader. Roles of Personnel Department and Successful People,” *Top Executive*, Japan Federation of Economic Organizations, Vol.55, No.2, 2001, pages 53-55

9. *Leadership by the Book - Reliable and Faithful Management*, translated by Kaoru Kobayashi, Japan Productivity Center, 2000

10. An article described in Note 7 perspectives that are taken into account when giving consideration to the roles of indirect departments such as Legal and Personnel Departments. It’s not enough to see only what indirect departments do; this article emphasizes that we need to see what we give other staff

members in the company, clients and customers, that is, to see from the viewpoint of how we serve them.

11. “Shintsubaki’s friend,” July 2001, page 5

12. This book hasn’t been translated into Japanese yet, but you can see the main thoughts of Mr. Greenleaf in the following book: Greenleaf, Robert K. (1977), *Servant Leadership: A Journey into the Nature of Legitimate Power and Greatness*, New York, NY: Paulist Press.

14. Old analog records have two sides, an A side for hit songs and a B side for accompanying songs. Both sides of The Beatles records are all good. The reason that we feel that the A side is better is because there is the B side. This is one of the thoughts that Mr. Fukuhara, Chairman Emeritus, used to get across to employees in Shiseido.