

## **Tsutomu Harino, President of Tamanoi Vinegar Corporation**

### **He's fascinated with something brilliant**

There are many traditional companies which always continue to develop fresh products and market. Tamanoi Vinegar Corporation is said to be a typical case. The company has the resource of “young teams” and focuses on developing young employees and widely supports for it in the whole company. The top himself had quantum jump on process to reform the company.

. Where did he open up new frontier? We asked him President, Mr. Harino about the leadership and the importance of personnel development.

### **Profile**

June 30, 1953 Born in Osaka

1976 Graduated from Seikei University  
Join Sonton Food Industry Co., Ltd.

1979 Join Tamanoi Vinegar Corporation

1991-Present President, Tamanoi Vinegar Corporation

### **History of Vinegar and Tamanoi Vinegar**

**Editor:** I heard the origin of a word of “Tamanoi” was as old as history of vinegar. Please tell me history and features of your company and this industry.

**Mr. Harino:** Vinegar was imported from Korea 1,600 years ago in the time of Oujin Emperor to Izuminokuni, the present Sakai and spread it nationwide. The origin goes back to the ancient Mesopotamian Civilization. Vinegar is manufactured after making alcohol, so there is a connection in manufacturing process between vinegar and alcohol.

We can find the name of Tamanoi on a literature in the time of Hideyoshi Toyotomi. It was used in Sensyu, the present southern Osaka. Five vinegar brewers which had long developed in this area tied up to create a new group called Osaka Zousu\*1 in June, 1907(the 40th year of the Meiji era) and Tamanoi was one of the five brewers.

We had five product brands and sold one of them called “Tamanoi” very well. I heard it from our Chairman that the name of Osaka Zousu would be inappropriate for expanding it nationwide, therefore the company changed the name into the present name.

\*1 Osaka Zousu was founded as general partnership and reorganized into public stock company in 1918.

## Development of “Sushinoko” and the Nationwide Expansion

**Editor:** Your company changed the company name to spread it as national brand.

**Mr. Harino:** We changed the company name into Tamanoi Vinegar Corporation in 1963(the 38th year of the Showa era) and started to sell “Sushinoko” (powdery vinegar) in the same year of July and expanded it through all of the Japan.

**Editor:** You technically challenged to change a liquid of vinegar into the powdery one.

**Mr. Harino:** Talking about the inside story, we were good towards technology and my grandfather who was President at that time wanted to make powdery vinegar. That was his dream. However, it made no sense to make it at that time. Many people thought it better to use liquid vinegar as it is.

**Editor:** You thought why you need to make it powdery when you commercialized “Sushinoko”.

**Mr. Harino:** Yes. We had to overcome one more difficult challenge that vinegar easily hardened when we made it powdery. It is highly hygroscopic and susceptible to moisture. So, we found it wouldn't harden if we mixed it with various things such as sugar and mono-sodium glutamate called Ajinomoto.

However, we made sauce by ourselves in our house in the early 30th to 40th of the Showa, at the beginning of 1955's to 1965's when we had barbecue or Sukiyaki, thin slices of beef in a heavy iron pan with various vegetables and tofu. Even if some ready-made sauces were very convenient, the price was very expensive, so nobody could recognize the value. They made mixed vinegar in their house, so when they heard it, they didn't know even what powdery vinegar was. Therefore, we had spent long time to get no sunshine.

**Editor:** Was it too early to do it? But development of vinegar powder was the world's first product, wasn't it?

**Mr. Harino:** It was too early because it was in the late 30th of the Showa, the late 1955's. In fact, in the late 40th of the Showa, the late 1965's, everybody could come to use various ready-made sauces and dressing. Because many housewives started to work outside in the high economic growth period and came to terms with convenient things, then, “Sushinoko” became a hit among them.

## Local Production in Brazil

**Editor:** Shinya Tasaki, Sommelier has recently become your company's adviser for product development and you've started to sell products in France.

**Mr. Harino:** We started to receive objective advice from outside experts. As for overseas development, we went to Brazil in the 48th of the Showa, 1973 and built our factory there. At that time, our client, a seasoning manufacturer built its factory there, so we entered there, too.

**Editor:** Was it because there were lots of Japanese ancestries on site?

**Mr. Harino:** Yes. There was more than a half million of Japanese ancestries. Furthermore, if we exported our products, we had to pay about 300% and something of taxes. So, we thought we would rather build a factory there and entered into the overseas market with support of JETRO which was called the Japan Export Association at that time.

### **Knight-errantry Times in Tokyo**

**Editor:** Following the company history, please tell me your personal history.

**Mr. Harino:** I was born in Sakai, Osaka, but I went to Tokyo when I was four or five years old. I moved to Tokyo with my family because the present Chairman of my father decided to sell “Sushinoko” as national brand. I was an ordinary boy and did whatever I wanted to do without thinking anything. My father made me do whatever I wanted to do. I had no experience of taking an exam and was crazy about swimming, sailing yacht and swam 10,000m every day. I won the first prize of water polo in Tokyo. I stayed in Tokyo from kindergarten to university and found a job there.

**Editor:** What kind of industry did you work in at first?

**Mr. Harino:** I entered Sonton Food Industry Co., Ltd. which manufactured fruits jam. The present Chairman asked the top to make me study such things.

**Editor:** It is a knight-errantry for becoming president in the future.

**Mr. Harino:** Yes. I was assigned for three years in various departments such as the President office, Financial, Computer and Cost Accounting Dept. and studied various things.

### **Learn Knowledge of Management Consultant**

**Mr. Harino:** After that, I had been to Japan Productivity Center for Socio-Economic Development called JPC

for a year since I was 26 years old. This was because I could get a license to become a JPC consultant. I would rather study too much after the graduation than when I studied at school. Then, I married and entered Tamanoi Vinegar Corporation.

**Editor:** How helpful for you were those experiences in the Food Company and JPC?

**Mr. Harino:** Sonton was such an ideal company as Tamanoi would aim at, so what I learned there, for example, invoice and product delivery flow were helpful when I entered there. When I went back to the company, I applied all things that I learned in JPC to human resource issues and salary. I replaced all of the company's systems with all things that I learned there including other technical things.

However, it can be done if I ask somebody to do it. The most helpful for me was what I learned in other places, for example, I stayed with people of financial institution who were transferred from the management consultant office and learned various things from them for a year.

One more thing was that I talked with many people who were good at mathematics and science in the company and thought many things through them while I was working in other companies.

After more than three-year social experiences and a year experience in JPC where only more than 26 year-old people were qualified to enter, I had concentrated on studying until I entered Tamanoi at 27 years old. It was almost the same as when I had a club activity at junior high school or when I was three, four or five years old. I might maximize the effectiveness of my efforts somewhere.

**Editor:** Do you think it is a kind of rotation to make you study knowledge for becoming president?

**Mr. Harino:** I think so. When I entered Tamanoi, I was assigned on the manager position of doing such things.

### **“Reason on the Management” made me have a perforated stomach.**

**Editor:** Could you tell me some experiences of quantum leap?

**Mr. Harino:** Speaking it dramatically, I had two drastic experiences.

P78

First, I believed what I learned in JPC was helpful to develop our company, so I went to big companies and had audacity to talk to the top about ROI(Return on Investment) and ROE(Return on Equity) with an umbrella of professional consultant.

After getting a license and entering Tamanoi, I completed all of the production industrial engineering and the management plans. I made the long-term management plan for three to five years to operate the production and actually changed the whole payment system in accordance with the plan.

I replaced all old invoices and accounting computers, but nothing happened. The reason was a problem for human resources. Nobody taught it to me and I had never thought such problem was there. This was the first

experience in my youth. So, I had a perforated stomach and felt down on the train.

When I consulted with my uncle who was a doctor, I was told to go to psychiatry because I didn't smoke and drink. Then, I went there because I was very interested in it. I was told not to think too much and think optimistic. Then, I asked him about the meaning and was told to be late to go to the meeting. I said I couldn't do it. After that, I had a little quarrel with him, got lectures from him and went home.

It took three years to understand what he said. At that time, I really suffered from breaking into a cold sweat from hand and the back side of my foot and losing color on my face.

I didn't know it exactly but some troubles caused me to be in such condition.

**Editor:** You would systematize all things that you learned as a consultant, but would not solve the problems of human resources.

**Mr. Harino:** I thought to live alone until I found the problem of the human resources although I was so arrogant. When I think about it now, I may be ultimate in being arrogant, so I think I look threatening at that time. I don't want to remember what I was at that time. However, I found I didn't live alone through those three-year experiences.

### **Take over the management in fateful crisis**

**Editor:** It is difference between before and after your suffering. After that, do you have another experience of quantum leap?

**Mr. Harino:** I had a brother who managed the company. I wasn't on the position of doing management. It was bubble economy, since I studied working as a consultant, I rightly said clearly like "That's too bad." and "We have nothing to do for it." Some people said they should make me manage the company, but they couldn't tell my brother to go away from the position. However, the condition really became worse in the period. We could make a profit of tens of millions as best we could at that time, but we had more than a billion of deficits and had to pay it back. Furthermore, the organization system was terrible. We couldn't make a reform in the same organization. Therefore, I received a baton from him and took a lot of responsibilities. However there was nothing worse than this thing for me. I was suddenly given pressure to take responsibility for all things that my employees did by financial institutions. That's how I started to do a job of putting company's seal on as the top.

### **No Payment for New President**

**Editor:** Did it include debt guarantee, too?

**Mr. Harino:** Everything. I faced huge debts which would take 100 years to pay it back. I had nothing benefit however, my father was old and when I look around me, there was nobody except for me.

The company was so old that we had 200 shareholders at that time. As a result, I made such a bigger decision not to pay dividend than ever before. In exchange for the condition, I had decided to work with no salary for one and a half years since I became President.

**Editor:** Did you make such a proposal by yourself?

**Mr. Harino:** If I didn't do it, nobody would allow me. I set my mind, so you also set your mind. I had to do something to appeal that I made it this far. When I made such a decision, there was none of the financial analysis to make me support.

People need to have some dreams or something alternate if they do their best.

The source of energy is people. Of course, I'm so appreciated I could have my family support, but on the other hand, I thought if I didn't have family, I should have managed to deal with it. When I tried to do something, I thought if I were alone, I should have done something to do. I had to live to spend my fortune and might have nothing someday. If I went away now, I could keep at least this fortune. Like this, I was thinking about many unnecessary things in my mind. When I thought about what I should live for, I became confused. However, in such situation, we're sure to be involved in people. So, what interrupt me is people and what make me support is also people.

**Editor:** The sources of support and interruption are issues relating to people.

**Mr Harino:** Yes, both are involve in people. What I'm doing as the top is just to put up with standing and I don't think about anything in my mind.

**Editor:** You said the situation was beyond what you could make it if you thought about it with financial analysis.

**Mr. Harino:** I went from door to door all around of Japan and gave customers about 3,000 business cards for a year. As I told you, I would have no payment for one and a half year, but actually it was three years later that I could get it. After three years, it means in the 4th year since I assumed the president. Although I didn't do it only with my efforts, what we could get back on the track seemed to be miracle. I would rather feel it happier that we could get back than I got my salary. It is really fast both to have troubles and to get back. I was so lucky. What we did was just to do what we should do respectively.

**Expectation in a word of "Keep clean"**

**Editor:** What did you do as things to do?

**Mr. Harino:** For example, I ordered people in charge of sales to do basic job like washing their cars. Everybody doesn't do many things to do. On the other hand, there are many important things behind them.

For example, ten executives in the factory gathered and said, "This factory was so dirty and dangerous." Then, I asked them, "Do you really think so? If you think so, why don't you clean this factory?" We started to talk like that.

I didn't understand sales at all because I was in charge of administration, so I went around all places in Japan for 365 days and I looked around our factories. I found a lot of accidents there. I thought we had to invest money there, but we had no money to do so. When we had an accident, everybody gave responsibility to a specific person and only a manager who had an accident in his Dept. apologized for it. I thought it was wrong. I was very angry of it and told them directly what I was thinking about.

"Why didn't you try to clean our factory well despite such a lot of people knew it was so dirty and dangerous?" When I said it like that, we had an accident again. Everybody thought he had to clean it and make a safe place. Everybody thought he had to do it. However, in fact, he didn't do like that. All we had to do were to just solve such problems respectively. This was the first year since I assumed the president. I passed no dividend to shareholders and had no salary. In addition to that, we had accidents in our factory. However, thanks to my family support and employees' smiles, I could have feeling to do my best again.

### To communicate is easy

**Editor:** Did you deliberately promote to clean sales cars and factories as an activity?

**Mr. Harino:** If I told them, they didn't manage to do it. If we couldn't communicate well, we started to discuss having a meeting, opportunities to talk together or sending email.

It's not difficult to communicate each other, because they could easily receive personnel information among them. When I told them, "You don't care about other things of our company but care about the personnel information." Then, they said to me, "No, we don't think so." We don't have any problems in our communication system. Everybody has information network and can easily communicate each other about his interests. What I told them to clean our factory was the same kind of story like this. I mean it's not just a problem of cleaning but how we change their awareness and make them recognize that something important for our company would change. It is not to be done only if I tell them to keep clean. Everything started to change when they recognized the problems

**Editor:** It became a good trigger. The basic foundation was cleaning. If they can do it, they aim to do something at the upper level.

**Mr. Harino:** Yes. I don't know it's appropriate for an example. Bad boys who smoke in front of a convenience

store until the midnight don't change themselves any more, but if they enter a correction institution and have regular life such as have breakfast regularly in the morning and sleep at 9:00, they clean up their act when they come out of there. Our story is close to this.

**Editor:** Getting the job done also includes regulation.

**Mr. Harino:** Yes. It didn't work well here. I thought because our system and methodology had something wrong. We didn't do anything to make an effort by ourselves.

**Editor:** How long did it take to finish the problem? Was there anything effective by the training?

### **Credentials is more important than knowledge.**

**Mr. Harino:** We are still solving problems. Education never seems to end. When new employees come here, we'll teach them clearly the same things again. When we teach them, we can improve ourselves, too. We will have the 23rd training for new employees this year. The first training was held in a training center of Kashikojima which we rent. We talked about technical things such as ROI and ROE in the training.

**Editor:** Although you talked about financial administration, the purpose of this training was not for classroom lecture.

**Mr. Harino:** When we teach something, we see not their heart but their ability. So, we feel it important to think in our head and we think that people who can do it will have ability.

Although we also teach financial matters now, we don't care about their score. I think they have enough ability to work and won't be in a trouble for such thing. However, I tell them to learn more important thing through this training where we moved and learn together in a set period of time and with required enthusiasm. The training is just a tool.

A former rugby manager, Tadaharu Kitajima at Meiji University taught to go forward and go forward. Although there are other ways in rugby rules except for going forward, when they graduate from the University and start to work, they will know going forward is so important. It's something like that.

In the first year, we taught them only class room lectures, but it was wrong. So we suddenly changed how to teach and after that, we corrected it more. Finally we completed the original style of the present training in the 7th year. However, we couldn't get the present training spirits from the second year. We started to really focus on people for the first time there.



## **Feeling of “Thank you”**

**Editor:** You are deeply committed yourself in this introduction training and focus on it. Have you changed yourself and the way to see life or people since you started it twenty years before?

**Mr. Harino:** It was shocking for me. I felt it strange that I made ROI and ROE in our company and the period almost overlapped the time when I found there was a problem in people. In the 2nd, 3rd and 4th year, I passed through the time through suffering.

**Editor:** The meaning of “pass through” is something exquisite. What does it mean?

**Mr. Harino:** When I explain it in an easier expression, “I feel something to be connected.” It’s a kind of feeling “Thank you.” I feel to have more opportunities to say thank you to everybody. I strongly realized I didn’t live alone. It’s difficult to explain it in a word. If I say like that, I feel something different. As I told you, I had more opportunities to say “Thank you.” I felt so happy to stay with everybody. I might come to love people.

**Editor:** Are there any changes in the recent new employees?

**Mr. Harino:** This year it was very rare that we had 4,775 applicants and applied 17 employees. We think it important to drastically have deep relationships with them in the training, so we try not to contact each other before it. For example, we separately book their seat on purpose when they go to join the training.

It is because people who meet in the training for the first time spend the same time in the same place to aim to have the same purpose, we firmly believe they will deeply connect each other in the future. We do like that.

However, this time unexpectedly, they have already promised to go together and have even a contemporary group.

**Editor:** If they do so, something different from usual will happen.

**Mr. Harino:** Yes, I think so. If they knew each other in advance, there could have risk that something troublesome will happen. It was because we thought we would connect them each other by ourselves. However, it was wrong. We just gathered people who originally had magnetic personality.

**Editor:** There are many people who really take care of connections.

**Mr. Harino:** We often heard they had a circle of friendship in contemporary people before they knew it when they entered the company. This time, it was so shocking for me. They called each other and had very close relationship before the training. We would tell them to show themselves for the first time in the training and connect each other in the training however they had already connected respectively.

## Successful “Honey black Vinegar Diet”

**Editor:** As for the next topic, please tell me a challenge in the product development.

You think as a result your role is to make “Ba” (fields or places).

**Mr. Harino:** The hit of “Honey Black Vinegar Diet” had my thought that I never wanted to finish manufacturing only vinegar. After all, I wanted to make “Ba” (fields or places) that everybody can perform actively because he chose our company. I didn’t want him to finish only dealing with existing issues in our company.

When I drew a dream, I thought it better we used our technology directly to manufacture a drink and entered the market first. However, we got beaten up when we entered the market. Some customer said to us, “Don’t do such a business.” I didn’t care whatever I was complained outside, I was strongly disagreed against it in our company. Some employees said why I had to use profits that they did their best to make for a drink.

**Editor:** It was very difficult to make a profit for a drink at first.

**Mr. Harino:** “Honey black vinegar diet” to become hit product was the 20th.

**Editor:** You’ve never given up until then.

**Mr Harino:** “Never give up.” That’s exactly what I want to say. Or “Carry on.”

We continued to appeal the product with advertisements many times. We had made coffee or carbonated drink, after many twists and turns, we happened to have an idea that we would like young people to drink this product made of black vinegar which usually only old people had. We decided to make our own brand with three themes of youth, freshness and fashionable. In such a flow, we just happened to manufacture the product with black vinegar for young people to have a drink. In fact, we wanted to make a larger one, but it was the only size that other companies accepted.

## The product wasn’t accepted for a long time

**Editor:** The 20th product of “Honey Black Vinegar” wasn’t accepted at the start, was it?

**Mr. Harino:** We got booing from our employees. Some people said, “This tastes really bad.”

There was a mean magazine. The product continued to rank as the worst No.1 twice in the distasteful product. It was such condition as all of our employees convinced it, too.

In such condition, we had information some people were pleased to have the drink. We heard 200 cases were sold at a supermarket in Tanbasasayama or it was sold very well in some area, so we followed up that. The

other thing was I had been asked to develop new products for liquor shops by people in charge of them in Sakai because they had no products to sell. So, when I gave them a case of “Honey Black Vinegar”, they became very happy to sell it. Liquor shops make a delivery of product, so it is very convenient for aging people who like to drink it.

**Editor:** One of the elements that supported you was a root of liquor shops.

**Mr. Harino:** Yes, They couldn't go to buy it, but if liquor shops explained it to them, they tried to have it. When they had it, they thought it to be very tasty, so it became hit in Sakai. Then it was suddenly hit at supermarket Uny in Nagoya. When I confirmed it started to be sold in the local area, we put a big advertisement and could make it a big hit. After that, our company has completely changed. When I had a baton of the management, we just only made a 10-20 millions of profits as best we could, however we became a scale of making 2-3 billions of profits this time. Therefore, we built the head factory was 10 billion yen in Nara prefecture. It was very good that we continued to work with a feeling of “Thank you for your support” whatever we were told. We responded to the market voice with honesty and never gave up. This is our fortune.

### **Be Bulwark against resistance forces**

**Editor:** The important role of the top is said to judge when he closes business. The point here is to be continued. By the way, people in charge of development don't work as an individual but a team.

**Mr. Harino:** It was a team consisting of ten people who were ambitious respectively. It was a young group, named “Competence” who were in charge of development, planning and sales. I had to support them.

**Editor:** People in the outfield who had different opinions were older than people in the infield.

**Mr. Harino:** We had lots of difficulties to do it. We have not only young people but also experts. I have suffered from giving those experts opportunities to perform actively in a subsidiary company from Hokkaido to Kyushu and leaving young people in the head office. I thought how to pass a baton to young people. However, I had to do alternation of generations that made experts with various experiences go to local area or subsidiary company without becoming irritated and left young people in the main office. There was a conflict between them, which was really difficult problem to be solved.

**Editor:** Becoming bulwark of strength as well as making ”Ba” is also leadership.

**Mr. Harino:** Yes. If I saw a chance to accomplish it, I could easily make their bulwark, but I didn't know what it

would be.

**Editor:** To support them without you had solid evidence for success because you don't know it logistically right but that you bet.

**Mr. Harino:** Because we didn't have any profit in drink. It's of course sure to be bad. If I was attacked there, I could not have a chance against it. However, I bet my dream there.

**Editor:** "Honey Black Vinegar" became a great product to award a Gold Prize from France.\*2

**Mr. Harino:** After we succeeded, we could use what we received such an award. It also becomes a textbook for marketing. My personal hobby is not to sell as many products as possible but to pursue a dream and possibility even if it can't be a big hit.

\*2 The product awarded a grand prize of hit Japanese Food in 1999 and received a Sialdoll(Gold prize) in non-alcohol category in the Food exhibition of Paris, 2000.

### **Hobby to manage a company with expansion of dream and education of human resources**

**Editor:** You reflect a vision that you believe your judge and expand your dream on the training for new employees. What do you think?

**Mr. Harino:** In order to have an opportunity to discuss a hypothesis that our company is interesting, the reason that we knocked the door of research center of organizational theory at Kobe University was to verify what I didn't understand. It is really magnificent hobby. There are no other top executives to tell such luxurious thing. There is a training that we stay in mountain for two weeks and return to be honest by ourselves beyond our own life and place.

There was something that gave us influence when we were childhood. We keep it until today with it misunderstood and go back to the scene again in the way we are. If we realize it, we reject it and may start to cry or vomit. If we overcome it and come back again, we will really have great experiences.

For example, there was a person who was a little bit strange when he entered the company, but after the training, he started to have his eyes sparkling and found something on his own. He lived up to now with various uncomfortable feelings such as relationship with parents and made his characters while he believed it until now.

**Editor:** It's the "Ba" to make them find themselves, their possibilities and relationship with people.

**Mr. Harino:** The training that was held with such feeling melt is, to say without me being scared of misunderstanding, my magnificent hobby. We need a lot of energies to do that. I sometimes think why I do the training for new employees by myself. However, when I meet people who have different way of lives and I feel unified with them, I feel happy to meet them all. This results in giving me large energy to the next year.

### **People who dedicated themselves to something are great**

**Editor:** What is the basic value to be observed if you want people to work in your company in the future?

**Mr. Harino:** We describe it clearly in our company brochure. I would like people who really want to come to my company to enter our company. Then, I would like them to look at people who work here or our customers. If you do so, something will change in your mind. I can't tell it in a word. The best way is to come here and look at it. For example, if you are asked, "How does it taste?" We said, "Please try to have a sample." We don't explain it in a word, but we want you to eat it without saying. The result is as same as a marriage meeting. If you don't meet him, you don't know whether you like him or not. For example, a woman who likes a man thinks, she wants to spend her life with him." Some people think, "How much is his annual income?" When we apply our employee, we reject such a person. We want to apply the people like the former woman who thinks that she wants to live with him.

However, if people exceed a certain level, we don't care about this minimum standard. We have various people, such as a race walking athlete who aims to Olympic, a representative of social American football and a Japanese tennis champion. You can see them on a magazine. Although we don't think it good that they can't understand a test at all. However, if they clear certain level, we would rather apply people who excel in something.\*3 We have an employee who graduated university at No.1 or an employee like a head leader of motorcycle gang. We don't have a standard line. However, if a person in charge of the personnel Dept. applies ten people out of 100, they will choose almost the same people as what I will make a choice

**Editor:** Is there any influence that people dedicated themselves to do anything in school days?

**Mr. Harino:** Yes. Their successful experience makes them confident to accept themselves. When such people talk, we feel their original aura from the atmosphere and don't feel they look big. They will really believe themselves and talk naturally.

\*3 The company has already started special courses such as a athlete course which supports people who want to pursue their dream in sports without giving it up after they start to work, a medical course where employees that research health and dietary life beyond healthcare can enter Medical School and a professional food coordinator course which supports total dietary life.

## **Leadership folk theory of the top**

**Editor:** This is the last question about practice of leadership. Please tell me some points that you give attentions to.

**Mr. Harino:** I don't tell it cool. I think everybody knows what he should do.

How are we going on a diet? We don't have to eat. Although I don't mean to have a lecture of it, I mean people always worry about facing themselves including me. The answer is in fact we know everything, but pretend not to know it or have not known it yet. We can't know it without going to the bottom of a ravine although we know it.

If any bad phenomenon occurs, it is a signal to us. Therefore, we always need to face ourselves. We absolutely should know the answer. Since we don't stick it out, we can't meet it or we fight with the feeling that we want to blame something. If we know it, I'm sure everybody around us will know it. And the other reason, honestly, it is just a sense that we work as a servant.

One more thing is that I like job site. I always go to the site. Of course, I never experienced working on site. If I tell something there, I don't have any power to make them something. Therefore, I tell myself not to work on site, not to ask on site. However, all answers are on site, so we can't ignore job site. I really love working on site. As a result, I feel telling such a thing.

It's no wonder that you can enjoy golf by yourself more than you see it. As for fishing, we can say the same thing as golf, so I participate in the meeting to explain our business and activities by myself and when I sell products, I go to job site.

But if I continue to do it for a long time, I make everybody angry, so I'll come back soon.

**Editor:** The first theory of your leadership is that a leader has to face oneself. If he doesn't do it, there's nothing that he can do. If he faces himself, people around him should face him.

The second thing is to work as a servant. Actually this is a theme that I have much information enough to write a book.\*4

The third thing is "There are all answers on site." In addition to that three theories, "Accept" is also your theory.

\*4 There is an idea of servant leader, which means that a leader serves staff members as a servant. A leader can take stronger leadership if he serves people. Robert K. Greenleaf who worked as a consultant in incorporated foundation in his old age proposed this idea. For homepage of servant leadership association, see <http://www.greenleaf.org/>. For Greenleaf center, see <http://www.gcj.com>.

## **Balance and subtleties between accept and give up**

**Mr. Harino.** We would rather find more problems recently than before. For example, our employees came to have no common sense or relied too much on other people. And, they worry about what their boss evaluate them. It's important to take an approach to accept something until the certain term, but if they exceed certain level, it is also important to give it up. I'm always worried about this.

**Editor:** It means to keep a balance between accept and give up.

**Mr. Harino:** Yes. We have to give it up if it go beyond a standard level. If we don't accept it until they can go beyond it, they can't go.

The training for new employees, as a result means to send them a message that they are completely supported as our staff members. The final meaning of the training is there. They don't have to seek for a sense of your existence, but they can spread their wings freely under our family support.

**Editor:** Not only to accept something but also to give it up is seemed to be the method of the personnel and organization development. We will be independent with mutual dependence, but we don't rely on others completely. Thank you for giving us precious stories that we've had few opportunities to hear today.

### **[From Editor]**

The purpose of setting our Research Institute of Advanced Management is to compare and discuss researches for business administration at university with challenges of the top executives who perform actively in the practical management at the same level. For such reason, we issue "Business Insight". This time, we're so appreciated Mr. Harino, President of Tamanoi Vinegar Corporation gave us an opportunity to have an interview with us and talked comparing the practical management with the business administration. We're also appreciated not only Mr. Harino and his secretary, Eri Terasawa but also other staff members cooperated with us. We extend our gratitude to them talking about more profound stories and giving us so much of his precious time.

It's natural that meaningful research for the business management will not be born in an arm chair in front of the desk of university. We have to absolutely go to the field. Decades-long historical researches in the business administration leave its company's or factory's name such as Hawthorne experiment and Glaiser Metal Project or leave its name of university such as Ohio State University Michigan research,

We are absolutely necessary to do field work not only to develop theory of the business administration but also implement it in the way closer to the reality while we are looking straight at real problems. I couldn't be happier if the names of Tamanoi Vinegar Cooperation and Kobe University would be left on a scene of business administration development in the way of cross-linked practice and theory about research for organizational culture, handling new employees and giving mental care.

Mr. Harino, President talked a little about it in an interview, he visited a research laboratory of organizational theory at Kobe University because he wanted us to see what he as the top practiced in his company from the viewpoint of people who researched corporate organization at university. The research laboratory covers practical and applicable areas of business administration, so various people who are practical visit there. It was really rare case that Mr. Harino who passed a busy day and his secretary were light on their feet and visited us twice. What we saw at first was a VTR of the introduction training for new employees which was so passionate. Every year he gave it to their family after the training. We were glued to the VTR which showed substantial lecture between new employees and their senior staffs including the president. It gave us a big impact and was very emotional and made us recognize how we human beings had great possibility.

Then, we started to discuss it soon. For example,

1. There is a research for organizational culture in the business management where the emotional element is discussed in the culture.
2. The introduction training in the organization with strong organizational culture is often compared to initiation rite.
3. Initiation rite includes two sides of coming into work and connection (group) with people on site.
4. A high-tech company means a company which makes use of the organizational culture on its own with software of the management administration as a strong management tool.

Professors and postgraduates at Kobe University visited the head office of Tamanoi Vinegar Corporation in Sakai city and factory in Nara which was the field many times to compare the reality of the management with realistic business administration. As he told in his interview, we couldn't understand the company without visiting and meeting employee.

When we entered the field, we directly had interviews with new employees, the middle-class, senior staffs and president. Fortunately, we had an opportunity to discuss the organizational culture, personnel development, handling new employees, giving mental care and the introduction training for new employees with Gideon Kunda, professor at Tel Aviv University who was famous for field work of the organizational culture and visited Japan to have a seminar at Kobe University.

We had this interview in such a special period. As for the before-mentioned at No.4, we talked with Mr. Harino about a book of "Engineering Culture" written by a professor, Kunda. It is named as "Engineering Culture" which means a culture for engineers or that a culture can be engineered. However, actually the Japanese translation is "Brainwashing Management, Nikkei BP"

If Tech is called a culture for engineering, Tamanoi Vinegar Corporation seems to be appropriate for mentoring culture or caring culture.

Mentoring means that senior staffs, bosses or instructors take care of new employees or young career staffs or consult with them. Caring means to accept people and take care of them. A word of mentoring culture has two meanings as a word of engineering. On one hand, senior staffs completely take care of young staff members such as mentoring or various cares. This means a feature of Tamanoi Vinegar Corporation. On the other hand, Tamanoi educates such culture itself and has president and senior staff members who take care of the culture. It is the second meaning. For these two reasons, we deeply felt mentoring culture in the company, Tamanoi Vinegar Corporation. Of course, we outside observer only use this word. We expect we will have an opportunity



to have top interviews and continue to learn personnel issues in the organization mutually through this series in the future. Thank you.

Interviewer: Toshihiro Kanai, Graduate School of Business Administration, Kobe University