The Effect of Cultural Infrastructure in Business Management: Comparison of Turkish and Japanese Business Cultures

Kürşat ÖZDAŞLI
Associate Professor
Mehmet Akif University,
Faculty of Economics and Administrative Sciences,
Department of Business Administration,
Burdur, Turkey

Öğuzhan AYTAR
(Corresponding Author)
Karamanoğlu Mehmetbey University,
Vocational School of Social Sciences,
Department of Banking and Insurance
Karaman, Turkey

Abstract
By the influence of globalization, standardized set of rules which is production and consumption behaviour of people has been accepted but by considering these principles, communities who reflect the characteristics of the social culture can integrate the technique with them have been successful. Activities which are conducted in these organizations that are forms of behaviour, harmonization with systematic study which is standardized especially in the Western World and the cultural construction has added considerable gains to management literature. In this study, development process of Japanese and Turkish Business Cultures and by examining the characteristic cultural values, differences and similarities in management has been tried to establish and the key points behind the success of Japanese enterprises and the culture features of Turkish business have been scrutinized.

Keywords: Culture, Japanese Business Culture, Turkish Business Culture

1. Introduction
Communities and social systems are continuously influenced by the dynamics of change. Current information and technological processes, the current economic conditions, differentiation of emerging traditions and customs, global interaction tools and similar facts change the individuals and communities. On the other hand, it directs them to seek new ways that people can live (Beycioğlu, 2007:63). All the creative activities of individuals and valve systems which are created by the activities are elements of the culture. Culture is related to historical background of the societies, development properties of them, modes of production and their social relations ( Çağlar, 2001:128).

The word of culture has quietly rich, long and interesting history. The meaning of the present usage of the word of culture is laid a foundation in 1750s. Fort he first time, this word which has the same meaning in French has been used in terms of the information of human intelligence, its development and its improvement by Voltaire. The subject of social/cultural anthropology is simply culture (Güvenç, 2005: 96).

It is seen that beginning of the economic modernization efforts is late in Turkey; besides, private entrepreneurship is stayed in the background because of some bias and generelizations originating from history. The most important problem faced by countries which are too late to start economic modernization efforts, penetrate the market later compared to other countries is because of not creating appropriate business culture of social structure and relying on foreign culture-based management techniques. This techniques aren’t assimilated by the employees and not sincere don’t provide the desired results in businesses. The valves, behavior and cultural infrastructure that need to be done are taken into consideration, original management applications which are assessed the gains of era should be improved.

Even if the concepts of “TQM, Kaizen, just-in-time production, zero error, quality circles” which are evaluated within the concept of the Japanese Administration in the literature frequently takes place, the number of general studies that examine the cultural infrastructure is limited. There are some studies which are, directly related to our issue: Bhappu (2001) claims that the basic foundation of Japanese management is stemmed from culture by examining the relationship with Japanese families, corporate networks and Japanese management culture. Erdem and Kocabuş (2004) emphasize the Japanese management techniques by referring the differences with Eastern and Western management understanding. Şüri (2006) introduces with the management culture association and examines the cultural structure behind the success of Japanese management. Zerenler ve İraz (2006) state that the characteristics of Japanese society affect Japanese management culture. Çağlar (2001) states that Turkish managers need to reflect the philosophy of life in the historical process as the Japanese model in “A Conceptual Study for the Detection of the Turkish Management Model in the Concept of Management-Culture” titled article, and estimates that it is possible to achieve success by integration with contemporary procedure and cultural values.

It is inevitable that the individuals who govern the business activity carry the nation’, community’s features to the institution. Rituals and ceremonies which are shared within and between the firms are the vision that these firms
common ethical features reflect export (Bhappu, 2001:161). The idea of management originated from the East isn’t just a simple understanding that can be addressed from 1950s. It’s seen that this understanding is based on the philosophy of China. Buddhism and Confucianism which have a radical history when it is taken with the historical and cultural foundations. Because all insights in based on historical and cultural foundations of society which have arisen (Erdem and Kocabaş, 2004:175).

2. The Development Process of Japanese Businesses

The Japanese culture began to open up to the outside world towards the end of the 19th century and it quoted from understanding of the West which is fashion culture in its time. (Erdem and Kocabaş, 2004:176). The start of Japan industrialization and export in the 19th century is the time when it is the end of the Tokugawa period and the beginning of the Meiji period. Especially in Meiji period (1868-1912), Governments did a lot of enterprise for Japanese merchants to be active in foreign trade. However, these attempts failed as a result of the pressures of Westerners. In this period, Governments have supported them by interesting with private trade and industrial companies which are able to compete with the Western companies (Yıldız and Ardiç, 2002).

As of the year 1874, Japon’s trade is covered only 1% by Japanese companies. Meiji government founded the Mitsui (1875), Mitsubishi (1889), and Nichimen (1892) companies in order to eliminate this state ever time and launched industrialization. Long-term goal is to delegate the private sector when these businesses gain profits. They have shown rapid growth depending on the development of Japanese industry over time, and they have fulfilled of trade 38% in 1900, 80% in 1918 (Tüz, 2001:4). The most important step in the external trade of 19th century is to sign an alliance between the first president Kont ito and other leading dignitaries and the Great British Empire in 1902. Thus, Meiji external politics brings to a location which Japan and Great Western States collaborate in terms of its own interests. Likewise, it was extremely natural, for Japan which was yearning Great Western State constantly asked for capitulation from Bab-a Ali although it was warm and friendly to Ottoman Empire in their conversations. This politics was necessary for Japan to provide Western support to become contemporary in 19th century. Likewise, Japan’s close relationship with the United States and England was very important to get advanced technology. At the same time, it was only in 1930, that Japan signed on alliance with Germany which had late Imperial ambition and Japan destroyed the friendship with Western World, and this situation caused that Japan battled during World War II and it was resulted in the known service (Esenbel and Demircioğlu, 1999: 21-22). It’s seen that the origins of Japanese businesses are collected into three groups when their development is examined. These groups include (Tüz, 2001:3):

a. Companies whose origins based on groups called “Zaibatsu” that families began to be dominated since 1880. Like Mitsubishi, Mitsui, Sumitomo and Nichimen.

b. Companies which start the activity as immortors of raw cotton as a result of the development of cotton spinning Industry. Like C. Itoh and Marubeni.

c. Companies which start the activity as immortors of iron ore as a result of the development of steel industry. Like Missho Iwai.

The meaning of the world “Zaibatsu” was used to as Express the rich who are ownership of “Money Clique” fortune. Actually, these are family initiative and it is a result of economic rallying. “Zaibatsu” organisations, which are seen as a collection of companies under the control of a family, have gathered to obtain the banking operations, internal and external marketing jobs. From “Zaibatsu’s” Mitsubishi, Mitsui, Yasuda and Sumitomo had emerged by means of gathering to obtain some work of regime related to government before the period of the Meji. In Meji period, they added new ones such as Furukawa and Asana. Assessments about Zaibatsu have been very varied. The truth is that the founders of Zaibatsu have played an important role as entrepreneurs and several enterprises which are founded by them have contributed to the development of the Japanese economy. Zaibatsus that provide capital accumulation have establish businesses which make various production, and they have served the transportation, banking, insurance and real estate business fields at the same time. They have gathered to obtain especially the branches of heavy industry and chemical industry (Saddiklar, 1991:145).

The first established Zaibatsus fulfill the basic functions such as the import the neccessary technology for export survey, raw material and Industrial development. (Bozdağ, 1985: 78)

The management in Zaibatsu organizations consist of a combination of the technique of the Western modern company and central, hierarchical, disciplined management of Japan. Western corporate law has been a dapted to Zaibatsu practice. Eventually, it was appeared a regime whose cooperator, manager and inspector were underthe control of the Zaibatsu families (Saddiklar, 1991:145). Generally, foreign trade companies, which work in a wide range of activity and named as Sogo Sosha in foreign trade operations, have an important role for the development of Japan.

General Mc Arthur administration took to pieces of foreign trade companies such as Zaibatsu and Sogososha after the Second World War; and this administration banned taking on the role of a super company with the law of “antitrust”, and limited with 5% the share of banks in any company capital. However, 6 large groups have controlled more than 25% of the Japanese. Union of Scientist and Engineers (JUSE) was founded in 1946 and Edward Deming was invited as a speaker in 1950. Since Juran assured that “the quality control” could be used as a management tool for top and middle level managers, the development of Japan gained strength(Yıldız and Ardiç, 2002). In 1955 the Government and private industry established the Japan Productivity Center. By arranging visits to the United States for countless executives and engineers and special courses in major Japanese cities, attention has been focused on
improving productivity (Zandt, 1970: 347). Historically, Japan was opened to foreign countries in 1960s. In that time, trade barriers have been removed; Japanese capital has headed toward the raw material sources and external investment (Enginkaya, 2005: 99).

3. The Development Process of Turkish Businesses

The lifestyle in Turkish community in old times has been changed to settled life and people haven’t had troubles with agriculture. With city life, professional organisations which are according to the nature of the goods have occurred. This organisational model was improved with Guild system in the ottoman period. Previously, these companies which are shaped in religion-based congregation relationships have started to extend among all of the members of the religion in the ottoman period (Güneş, 2010:259).

The style of the ottoman Guild reflects the combining with the organisation; industrial production of local needs have devastated because of the capitulation and liberal foreign trade agreements. The most important factor that accelerated this devastation was Turkish-British trade agreement which was signed after one year from Tanzimat. Crafts and small scale production of industry have devastated in the result of the turning towards external purchase goods (Kepenek, 2000:14-16).

The history of the Ottoman modernisation shows the problem with Western World, since the relationship with Ottoman Empire and England got worsed especially after the 1870s. Finally United Kingdom collaborated with Tokyo rather than Istanbul in order to protect India from Russia and these situations have determined the border of external relations of these countries modernisation history (Esenbel and Demircioğlu, 1999: 22).

When it is examined the development of Turkish private sector, it is seen that the progress have came to the current situation by passing certain stages as other countries. It is possible to summarize Turkish private sector stages as pre-republikation and after republikation. The Republic of Turkey has taken over an agricultural country which was undevelopment and dispersed and closed family businesses thanks to the crafts of the private sector. The undevelopment of commerce and art in Ottoman Empire throughout the history stems from looking with on evil eye on this kind of jobs. Consequently, this kind of jobs were done by the minorities (Hebrew, Roum, Armenian….)(Yıldız, 2006:18).

3.1. The Efforts of Economic Modernization

Economic entrepreneurs in the last period of the Ottoman Empire were Turkish citizens whose roots were Jewish, Roum and Italian. These were bankers, importers and usually merchants. Another kind of entrepreneurs in the Ottoman Empire was doings that were military purposes. These jobs have been executed through foreign experts, so the number of people among the Ottoman Pashas whose names can be counted as the industrialist currently is little or nothing (Arıkan, 2002:13).

The efforts of economic modernization in Turkey have ranked after the political modernization efforts. Turkey has begun late economic modernization race than Japan. On the other hand, looking ot the process of technological development, Turkey, as Japan, has economic modernization and development process which start in the last period of ottoman, however, its successful integration of the top-model is slower than Japan’s and this process is still going on(Esenbel and Demircioğlu, 1991:11). At the stage of recession in 1929, especially USA and European countries and also Turkish Republic loomed large the governement interventionism in terms of economic stability and development. It can be evavluarted as such occuring organization like Sümerbank, Etibank and Merinos. (Küçük, 2005:34)

In the period of 1930-1950 when it is stated as statism period, public sector beside private sector began to found new industrial plants. Carrying out Statism didn’t interfere with private enterprise, in contrast it the supported this practice. Durring this period, entrepreneurs benefitted from the market conditions brought by the war. It’s seen that Entrepreneurs head for private sector instead of bureaucracy (Yıldız, 2006:19). Eventually, in 1950-1960 periods, the implementation of a liberal economy policy provided that the credit facilities set an entrepreneurial layer. Today’s largest companies were founded in 1930-1940 and 1950-1960. It was seen that Entrepreneurial class emerged in 1950s like political, bureaucratic, elite and educated groups in the University. In this period, entrepreneurial class who turned into investment developed rapidly and began to adopt advanced industrial and management techniques (Öztürk, 1998: 85). The 1960-1970 period was a term which urbanization was increased and commercial and industrial activities were condensed. The accretion has increased domestic demand and in parallel with this situation, the increase in transport and communication facilities has caused positive developments in the economy. In that period, it has been significant improvements in the service sector, especially in 1970s; entrepreneurs achieved important gains by reflecting to public the inflationary situation because of the protective measures of the goverment.

In January 24, 1980, Turkey shifted from the import substitution policy to the export driven development policy. After 1980, the poverty of sience and technology couldn’t change the panorama in the process of integration (Türker and Önerler, 2004:147). Then it was increased the number of multi-and public enterprises by reason of the increase of competition in some industries, the growth of enterprises, the confusion of growing up, issues between employee-employer and various applications brought the state. As a result of these improvements, there was an increase in employment of professional managers in enterprises (Yıldız, 2006:19-20).
It’s clear that historical conditions of Japan and Turkey have been very different within this time. Modernization is a process emerging in the western world, and these two countries entered into a close relationship with the Western Wold (Esenbel and Demircioğlu, 1999: 12).

4. Japanese Business Culture and the Foundation of It

Business practices are an offshoot of national culture. To understand Japanese business, it is necessary to understand the culture. There is an important difference between localized corporate culture and broader and informative national culture that affects business decision making (Ford and Honeycutt, 1992: 27). Japan has sense of morality existing traditional cultures and self-sacrificing any kind of dedication to the community interest (Zerenler and Iraz, 2006: 761). Japanese etiquette rules and lifestyle has been substantially struck by Confucius philosophy. It’s emphasised on status and ceremonies in their social lifestyle. The main feature of the Japanese character is obedience and self-control. Japan has only one language, one religion and multiethnic nation. It has important property. Non-ethnic groups, homogeneous structure and populous are its most important features. Employees and customers are homogeneous. People’s wishes and expectations are close to each other. Actually, Japan is one of the most homogeneous countries in terms of social and cultural structure (Afacan, 2001: 45). It is an advantage for Japan that it is a single race and single-language (Zerenler and Iraz, 2006: 762).

According to the Japanese belief, in any case there is nature at source of all the beauties, the resource of the crisis and the success of social life is family. So, Japanese people blame on family when things aren’t much better. Family Department passes from father to son. Soil is common property of the family and can not be split by inheritance. If it is appropriate for the head of the family, it can be given the side branch from the family. Foreign authors who search the country’s economic success and development explain how fast the development is by studying as a single family of the employer-the employee and manager-being managed. Community-Government, employer-employee, manager-being managed, capital-labor, rural-urban dilemmas are named as Japanese Partnership (Güvenç, 1995: 173-179). Japanese culture, in terms of some features, is different from others especially Western culture. Japanese people have been sensitive to changing and evolving world, and have tried to take their share from the external developments in the world (Erdem and Kocabab, 2004: 177). In Japanese society, people can gain extent value if they are useful to the community. This means that it is crucial for them to be compatible within the group. Members of the group that doesn’t obey the rules are excluded. Besides, Confucius principles say that people are good as their genesis. This idea claims that the Japanese have the confidence of their people. This confidence exists in all Business applications (Zerenler and Iraz, 2006: 761).

Japanese people perceive themself firstly Japanese and secondly people. It has been written that Japanese people who have nationalist culture despise somebody or think other people superior to them. Japanese people look up their country’s profit. They are real nationalist. Japanese people’s feelings are valid for their human, their society. For this reason, Japanese people be have tolerant, honest patient towards stronger, but they do this for Japan to achieve the honor (Güvenç, 1995: 359-360). Japanese public has a compitive structure which includes group-conscious and adopts the disciplined work. They are always competitive not only in Business life, but also at every stage of life. It’s obeyed the holders of the management in the company. Every company founder has come up with a unique job board. They are written and repeated at every stage. These rules are collected from around the principles of obedience, truthfulness, nationalism and saving Money (Turgut, 1985: 297).

In Management, experience and age are important as much as Diploma. Experience in this matter comes before work and experience comes before diploma. Although primary, speciality and high school are very difficult, college education is very easy as incomparably. What’s important is that the student goes to a good university and graduates from there. The candidate needs education and the training starts in the company. Training that is received person is general qualified. Generally the companies devote vast resources, in order to gain Professional qualifications. Orientation training is given in Japan intensively. Especially middle and large Japanese companies provide continuous training for all their staff. The most common training is the job-training. The basic philosophy of Japanese companies is learnt at work and experienced craftsmen share all their experience, knowledge and skills with new staffs (Yildiz and Ardiç, 2002).

5. Turkish Business Culture and the Foundation of It

The demands of the history and a sociological consequence are that nations are equipped with different cultures (Özbalcı, 2006: 6). Culture encompasses everything related to people and their environment. All creative activities of people and value judgements during these activities are parts of the culture. Culture is related to the historical past, development properties, modes of production and social relations of human societies. So culture is a way of life and volition that is put forward in the framework of the historical process (Çağlar, 2001:128). Nowadays, studies about culture have shown that cultural values are more surprising than political and economical factors in foreign cultures and organizational and inter-organizational relationships are affected from natural values system contained in the culture (Yükseki, 1999: 23).

Structural and relational composition of the family is a good starting point to explore these issues (Bhappu, 2001:163). The fate of the Turkish family line occurs in there civilizations field. Such development has been destined by very rare communities on the world. The Turkish family structure prior to Islam can be classified as Turkish family formation in the line with the Western civilization field (Türkdoğan, 2002: 585). Marriage and familia regarded as the foundation of society and State among Turkish people. House hold (TDK: home, family,
origin) is always acknowledged auspicious among them. It was said that men and women were equal in the past. It was obligatory to respect to the woman. Because a good woman is essential at home (Afacan, 2001: 129-130).

As is known, religion has the first priority among the most important values in the Turkish societies. The provisions of the religious value cover every aspect of the social relations of the Turkish society. These values have been reflected in the traditions of Turkish community, and have been provided integrity with religious values. In other words, religious values pass through traditions, customs and mores (Eroğlu, 1982: 192).

In Turkish communities, a sense of unity during crisis is on the top level. As such, it is widespread the perception of “we” (Arcıoğlu, 2000: 126). In Hofstede’s evaluation, Turkish culture focuses on the relationship in contrast Anglo-Saxon culture focuses on the success (Baštım, 2001: 176). The main features of the Turkish culture: (Çağlar, 2001: 137)

a. Local Nationalist (emphasis on the tribal commitment)

b. Security-Centric (security is very important than anything else)

c. Sharing (Indexed group life)

d. Authority and custom based (Centralist)

e. Constitutionalist (Have legitimate jobs)

f. Prone to bureaucratic practices (Acting in accordance with the official laws and rules)

It’s seen that Turkish management isn’t different from American management. However researches show that Administrators are similar to Japanese people. Despite these researches, Management and organization structure in Turkey don’t completely concur with Japanese-style (Arcıoğlu, 2000: 123).

The capital structure of Turkish enterprises is consists of family capital, group capital and public equity capital. It is enough to company activities. So, there are higher borrowing rates for companies (Türker and Örerler, 2004: 149).

In Turkey, it is adapted “sell and shrink philosophy” in company rescue operation. Even it people talk about lean management, cost reduction, shrinking the total quality control and work force, the number of companies that implement them are very few. (Akat, 2000: 271)

In most businesses in Turkey, it is difficult to say that there is a specific marketing strategy. Marketing and sales as a concept are considered same. In Turkish legislation, anyone who is the payer of the tax authority can import. As a developing country, Turkey has import operations due to luxury consumption habit. The Turkish community has the habit of consuming without producing (Türker and Örerler, 2004: 143-145). However, in recent years, the state-backed export credits and identified economic targets have affected producer and consumer behaviour.

6. Japanese Management Style

The factors affecting the Japanese management practices can be sorted as religion and culture, decision making systems, manufacturing systems, the concept of continuous improvement (Kaizen) and Japanese specific human resource management application (Zerenler and İraz, 2006: 760). “Cultural items” that are the basis for the success of Japanese management system are very important. “Success stories” derived from practices of Japanese management aren’t compelling reasons (Sığrı, 2006: 46). Ouchi examined the Japanese management style in details in 1970s, and owing to Ouchi’s Z theory, Westerners met with Easterner’s management. Then he described Japanese management application as “J theory” (Erdem and Kocabaş, 2004: 187).

In Japan, there is management based on the group work. Modern management methods of the West have been adapted to Japanese customs. An entrepreneur, general manager or director is accepted as “father” (Güneydin, 2002: 14). One of the basic features of Japanese management is that workers are employed in the lifelong (Erdem and Kocabaş, 2004: 183). What makes Japanese companies be successful neither only people nor the system. The secret of the success Japanese companies is “the culture of organization” and “the climate of company”. The culture of organization contains all of the elements in the organization (Aktan, 1998: 50-52). In Japanese companies, there are 3 basis functions: to determine the company’s future vision, to get strategic decisions, and to control and dispatch the works. In Japanese management, there are staff, skill, style, but in the western management there are strategy, structure, system. As it is seen, the basis difference is people-structure (Yıldız and Ardiç, 2002).

6.1. Japanese Management Applications

Every community has a special culture. Besides, there are significant cultural differentiations between agricultural society and industrialized modern societies. And there is common differentiation among each others (Güven, 1999: 175). People with different cultural background have different value judgments different thoughts and different behaviors. (Chang et al, 2011: 73) Administrative capabilities can be transferred across cultures, management philosophies can be taken from different communities, but application activity depends on culture (Eroğlan, 1975: 57). Japanese enterprises differ from other businesses like these:

6.1.1. Participation in the Management

One of the most important features of Japanese management is the participatory approaches in decision making (Şimşek, 2007: 102). It is paid attention the opinion of subordinates in the management, the ring system quality circles and company trade unionism applications provide to participate in the management.

Japanese people name the decision-making process as “the Ring System”. This system has undergone significant change in recent years (Garih, 2005: 80). In the ring system, there is “the ring form” at every stage of the Business.
When all people responsible for the hierarchy and senior management members try to change the “Ringisho”, the proposal is considered available. One of the most important disadvantages of the ring system is the slow progress. Decisions are taken within the framework of the consensus, and every decision is involved a large number of people (Yıldız and Ardıç, 2002).

Quality control circles are applications which provide to reach the lowest steps of the organization. It is started for improving the quality in Japan, in 1960 (Tüz, 2001: 23). Quality circles are the group which carries out quality control activities voluntarily in the same work place. This small group makes studies to develop itself and other members of the group with the participation of all members as a part of quality control in the company-wide (Yıldız and Ardıç, 2002).

As a workplace trade unionism, Japanese trade unionism is greatly different from job-group trade unionism (Yıldız and Ardıç, 2002). Company unions are employee organizations which are founded between members of each company’s own and its membership is open to all members of the organization other than administrators. These organizations are powerful in terms of not only financial but also administrative. They don’t see employers as the enemy, they see them as if they are in the same family members who work in the same work, and they cooperate with each other (Tüz, 2001:23).

6.1.2. Human Resources Policies

Lifetime employment policy is one of the items that come to mind first in the Japanese organizations (Şigrı, 2006: 32). An important feature of the Japanese Business to train employee and to provide them substantial resources. Orientation training characterized as the practice work training is provided intensively in Japan. Especially medium and large Japanese companies are always training employees. The most common training is job training. The basic philosophy of Japanese companies is learnt at work and experienced masters share their skills and knowledge, experience with the new workers (Zerenler and İraz, 2006: 766). One of the most important feature in the Japanese management is slow appraisal and promotion. No matter how knowledgeable, intelligent and capable after entering the work, one person will be appraised after 8 or 10 years and if appropriate, he or she can be promoted(Şimşek, 2007:101). Wage according to the seniority is different in the western management applications, and it depends on the type of Business, function and the result. Here, wage is determined according to seniority and the education level of employee. The main criterion in determining wage is seniority. If the wage increases, the seniority will arise at the same time. The base salary rise will continue up to the age of 50-55. Besides, after 55, fees and premiums decrease rapidly. Japanese employees can continue working in other small companies with low cost after retirement (Yıldız and Ardıç, 2002). One of the distinctive features of Japanese companies is the job rotation. This is applied not only workers but also all employees (Zerenler and İraz, 2006: 766). Japanese management system provides that employees are put through Business rotation and know the problem (Şigrı, 2006:33).

6.1.3. Group Awareness

When people believe in themselves and team-mate, they gain a sense of dependency. They don’t think only their needs; they know the importance of collaboration (Akat, 2000: 86). It is seen that Japanese management gives importance working in collaboration and harmony instead of the work done by anybody. In this case, manager tries to increase the efficiency of the work and provide the collaboration in the group. He/She tries to make collaboration healthier (Garih, 2005: 80). In Japanese management, there is “Horizontal Integration”. Despite American management which is described as “Managerial Capitalism”, there is “Group Capitalism” (Güneydın, 2002: 11). In Japan, workers identify themselves with their firms. They prefer success in the group because of lack of negative competition among the employees. Corporate identify is that people have a different structure, relationship and value system (Karpuzoğlu, 2001: 81). In traditional western management, personal studies are more important. It is concerned with only works of the employees not their family and social environment (Erdem and Kocabaş, 2004: 186).

7. The Conception of Turkish Management

These days, there is no stability in administrative activities of managers, but there is a variable and slippery environment and truths of past has become today’s mistakes. Business owner or partners encounter the risk and uncertainty (Haberal, 2003: 38). In Turkey, a management class has been created by the government. A private sector industry was under the directorship of minorities (the Jewish, Greek, Armenian and citizens of some European States) except of a very small cluster before 1923. These minorities took hold foreign trade transportation and public services. In the early years of the Republic, Atatürk’s efforts about deportation of foreign elements reached success, however Turkish Business people and entrepreneurs didn’t fill the resulting gap (Dilber, 1981: 9-10).

It was seen that the vast majority of Business managers had extreme centralist tendency even though they tried to support employees’ stakeholder participation and provide initiative. These results depended on the tendency of avoiding uncertainty of the community, personality of the managers, not having enough authority and experience of the middle stage managers, unhealthy relationship between managers, not believing in skills of subordinates, distrustfulness between sub and upper class, deficiency of subs and a multistage and long organization structure. It is emphasized that there are extreme and hard systematized works on the basis of these reasons (Arcuoğlu, 2000: 127).

Despite these issues about management, it is used contemporary management techniques in Turkish businesses administration, the principles of management are severely carried out by companies which have professional administration on the purpose of determining the boundaries of responsibility. So planning, organizing, orders-
command, communication, controlling and coordination are applied in the management of Turkish businesses. It is possible to mention strategic management, strategic planning and other contemporary management comprehension in the governance (Türker and Örerler, 2004: 153). The most important part of contemporary administrator is aware of the developments in the world. However, family traditions are going on, bosses stand out more than professional administrator (Akat, 2000: 271).

7.1. Common Management Elements of Turkish Businesses

It is possible to mention Turkish management comprehension or the type of management if it is talked about the model of Japanese Business, the style of American management and the approach of German Business (Sargut, 1994: 144). Even though it is made studies about Turkish people behaviours, it is limited studies (which are made comprehensively and in a versatile way) about the personalities of Turkish managers and their managerial values. Scientific studies about this topic are generally based on observation and experience. Applied studies are less than zero. In this framework and studies, Turkish managers’ personality and managerial values can be sorted by these (Şahin, 2005:182; Toktamışoğlu, 2001:67):

- Starting fast and then being tended to slow down
- Preferring short term solutions and approaches as a result of this, they encounter long-term challenges
- Paying attention to job title, position, rank, diploma too much
- Not enough creative thinking, learning is limited with school and hiding information
- Abstaining from taking a risk, sorrowfulness and fatalism
- Self-sarcasm and making an idol of foreigners
- Underestimation about strategy and planning
- Being unsystematic
- Being tended to hierarchical and imperious constitution

While administrators’ attitudes cause being a strict hierarchy of the structure of the organization, they draw a profile that is closer to the classic organization and management (Arıcıoğlu, 2000: 132):

- Businesses follow short term employment policy, besides, it is carried out promotion and appraisal system which includes the decisive external factors and biased attitudes
- The power connecting to the center so much causes overrating expertness too much in practice.

Despite all the things, it is seen that Turkish people have culture that is hearty and warm and Turkish managers and employees adopt to change very quickly and they have an ambition of winning and being successful. While western people apply emotional-oriented management (Toktamışoğlu, 2001: 67).

8. The Comparison of Japanese and Turkish Companies In Terms of Management Functions

Professionally managed transition and institution building are important for economical and social structure of a country (Sığrı, 2005:6). When you classify management functions, you need to distinguish these from the function of Business like procurement, production, marketing, finance, accounting, research and development. Technical (production), commercial (purchase), financial, accounting and security are different from organization, and these have technical quality, and sequenced by Henry Fayol. If many people have union of power, there will be Business circumstance and it is the same thing for all companies (Şimşek, 2007:121). The aim of the management is to reach the organizational purposes by coordination of resources (Turhan and Taşrivek, 2010:149). The functions of management are valid in every culture, but it is different in terms of the type of application. This stylistic difference causes differentiation among cultures. According to faith and values in the culture, function, principle and the philosophy of management can be acceptable (Erdoğan, 1975: 58).

Planning is a basic management function involving formulation of one or more detailed plans to achieve optimum balance of needs or demands with the available resources (Business Dictionary, 2012). The characteristics of Japanese Business as planning are derived from perception rather than long-term strategies and mathematical method (Tüz, 2001:28). In terms of businesses, planning is described as determining of Business goals, deciding what to do, designating the strategies and choosing alternative activity and applying this. In Turkish businesses, the activity of planning is considered as a very short-term aspect. Generally, these activities focus on income, giro and budget planning. Turkish Businesses usually implement short-term plan (Tüz, 2001: 79).

Chester I. Bernard make a definition, according to this definition, an organization is collaboration system that two or more people combine their effort consciously. According to Leon P. Alfred who is another thinker, it is describes as constitutional process by completing jobs, organizing tasks to reach the aims (Şimşek, 2007: 137). The number of organizational steps is very much in Japanese Business. Besides, there are consultants and boards. The company’s upper executives are members of the board of directors and part of the administration as much as shareholdings are. So, they don’t represent the interest of the shareholdings. Organizational steps behind the Board of Director are product groupops, sections, departments and units, besides, it is set up work-teams to operate when necessary (Tüz, 2001: 38).

Directing contains all management functions related to providing subordinates to work in short and long term effectively and efficiently (Şimşek, 2007:179). In Japanese Business, orders-command relations are based on
hierarchical integrity. People who are in leader status are unit chiefs. A unit chief is responsible for meaningful referrals. Leader hasn’t got a power to give punishment or prize (Tüz, 2001: 31-32). Japanese people don’t organize a work alone; certainly they study with three or more groups (Şimşek, 2007:103). Directing is an administrative activity related to deciding what is done and affecting the activities of subordinates (Anameric, 2005:37). In Turkish culture, employees prefer managers sharing with emotions due to being social (Batlaş, 2011:118). In Turkish businesses, it is valid managers’ instruction, and it is seen American type of model rather than Japanese model in the process of enforcement (Tüz, 2001: 80).

Coordination aims to combine the efforts of people, activities should follow each other, and complete each other, determine the best time (Şimşek, 2007: 230). In Japanese businesses, it is necessary to create an efficient and healthy coordination group in the company because of the multiplicity of organizational units and the importance of group activity. All the Japanese businesses apply vertical and horizontal coordination systems (Tüz, 2001: 139). It can be said to achieve the success with coordination of management. The purpose of the order is defined as preventing negative behavior. The second purpose is to create an organization culture and to become institutionalist. The third purpose is to focus on gaining a profit economically (Turhan and Taşseven, 2010: 149). According to Tüz (2001: 81), in Turkish businesses, coordination system is organized by Head Office. There is short-term coordination as American businesses have. 50% of Turkish businesses apply all the kind of coordination. Others apply certain aspects of it instead of seeing coordination as a system.

Aims that businesses want to reach are determined by planning function, the degree of achievement is determined by control function. This function and manager decide goals; investigate reasons of differences (Şimşek, 2007:245). Control field, as it is known, refers to the number of subordinates who report to manager or upper-class (Öğüt, 2009: 93). In Japanese businesses, control mechanism has been improved in order to work together, make decision mutually, work with the team to perform methods, and naturally check each other. Management improves Business alliance and people aren’t selfish. So, people make a little error because of understanding, accepting, exchanging opinions with each other, and working in a team (Şimşek, 2007:103). In Turkish companies, there is a clear, significant, strict control. Control is generally applied by monthly and weekly reports. It is similar to American management with this aspect (Tüz, 2001: 82-83).

9. Conclusion

More and more companies pay importance intellectual capital to enhance their competitive advantages and innovation that provides development in the future rather than depending on physical assets (Şamiloğlu, 2002:103). The most important problem of Turkish businesses is that people can’t create an organizational culture which is suitable social structure. If businesses pass over the problem, they can have an advantage both structurally and intellectually. So, it is necessary to provide consensus and confidence as these businesses do. Leader/manager has the most important role in this regard (Arıcığlu, 2000:138).

Japan which passes over the process of industrialization because of its unique innovation is different from others. The resource of these differences occurs thanks to geopolitical advantages and original community structure. Each Business has characteristic culture that affects beliefs, thoughts, behaviors, and world views (Öztürk, 2003: 262). This culture is nourished by the value and features of the community.

Turkish management isn’t dissimilar from American management even though Turkish managers resemble Japanese managers in terms of cultural and social features. This management style doesn’t create a good culture with respect Business culture but it doesn’t skirmish value and belief of the community. There are things to be learned from all the managerial insights, but it is needed to adapt the social variables of the community (Erdem and Kocabaş, 2004:188). Unless it is set the balance between science and application, it is impossible to improve the approaches which increase the efficiency of institutions and accelerate the functioning of them and this is the part of the culture (Batlaş, 2011:23). According to Toktamüşoğlu (2001:73), it is needed an implementation of management style which is about synthesizing emotion and sense of the East with wisdom and logic of the West. Turkish type of management should be a compliment rather than satire or reproach.

Consequently, Turkey is a bridge of the West and East in terms of geopolitical location and the richness of history both geographically and culturally. Business management problems are mostly solved by evaluating this dynamic well and inspiring Japanese management style in order to create a synthesis which is suitable for social structure.
References


Şimşek, M. (2004). İş Hayatında Mükemmellik, İstanbul: Hayat Yayınları,
Toktamişoğlu, M. (2001). Köt Pantolonlu Yönetici. İstanbul: Mediacat Kitapları,
Turhan M & Taşseven Ö. (2010). Yönetim Fonksiyonlarının Uygulandığı Alanlarda Ortaya Çıkan Hata Değerlerinin Oluşturduğu Yeni İlişkilerin Panel Veri Modelleri İle İrdelenmesi, İstanbul Üniversitesi İktisat Fakültesi Ekonomi ve İstatistik Dergisi, Sayı:11, 128-153
Annexure

Table 1.1913-1915 Industry Counts, Minority and Foreign Shares in Turkish Industry

<table>
<thead>
<tr>
<th>Nationality</th>
<th>Capital</th>
<th>Labour (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turkish</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td>Roum</td>
<td>50</td>
<td>60</td>
</tr>
<tr>
<td>Armenian</td>
<td>20</td>
<td>15</td>
</tr>
<tr>
<td>Jewish</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>Foreign</td>
<td>10</td>
<td>-</td>
</tr>
</tbody>
</table>