

Günter Lukas

Born 1. October 1951

International Management Experience European activities:
3 years Western Europe
3 years France, living in Paris
2 years Eastern Europe (incl Russia)
Business in USA
Senior Management Training in Tokyo (3 months)
Fluent in English, French and German
Beginner in Japanese

Professional Experience:

Financial Consultant 5 years at BONNFINANZ AG, a financial consultancy subsidiary of Deutscher Herold Life Insurances, DEUTSCHE BANK Group.
Real Estate and Construction experience

President/General Manager 5 years in a Medium sized Computer System House

Industrial Manager 10 years in SIEMENS AG, one of the large groups in electronics, computer and communications, located in Munich, Germany.
International Management in Marketing, Sales and Business Strategies in Computer and Communications

Industrial Consultant Since 1995 Management Consultant on
- Multimedia Technologies,
- Global Success Strategies
- High Tech Investment

Function: Senior Director Marketing & Business Development

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Now, March 14th, 5:30 p.m., an evening appointment has been cancelled, and so, for the first time I sit down in front of this computer (I usually don't say "my computer") and start writing something for that so called report. **What** will I report about? I took a look at some of the reports of former groups. Most of them look alike, they seem to be uniform in a certain way. Some have the same structure, many have the same contents, observations and opinions. I'm sure, most of them have only be read by the translators, who were obliged to read them in order to make a Japanese version, which then wasn't read by anyone either.

Do I really
have
to do this?

I don't like to do things that don't mean anything. So, what will I put into this dead information hole, that will not even give me a "hitrate" statistic, how many people looked at it. (Do I get **hitrate** info from the InterNet version, Thierry?) Should I make, like the others, an index? An index is made for someone looking for information in order to find it faster, so it's useless here. Do I have to start with those stereotype acknowledgments? I love those people who really did a lot for me, and they know it.

I love them

And in which language? I like to communicate by using language as a tool, sometimes as a weapon, but this I can only do in German. I love to communicate verbally in French, and I was told (thanks, Phil) that I talk in **English** like a machine gun. But these skills disappear, when it comes to a written form. I can't put in the emphasis and expression as I do by talking, and language mistakes, covered by sincerity or involvement or just noise while speaking, will be and stay written, being discovered by everyone. So my written English is too poor, to write something of value.

Write?

So with all this doubts and limitations, what can come out of writing a **serious** report? Let's see:

Write!!!

This afternoon I had a very interesting "Individual Company Visit" with two young businessmen, internationally experienced, fluent in English, with all the self-confidence you need in business. Persons, who I can easily imagine and hope to be good, personal friends with one day. In the morning I had a meeting with the chairman of a venture capital company, part of one of the big financial groups in Japan, a person, where you can see, that he is successful because of being relaxed, spending any time necessary to help and to network, without counting the result and the payback (at the moment). Good experience, which puts many question marks on the repeated Western prejudice of the uniformed, "group only" Japan. These are **individuals**, and they make their way because of individual ideas and performance. That they do this in a large group doesn't differ from a large group manager's situation in Europe.

So again, I asked myself: What are the differences? Many things are so similar to Europe, and I'm sure, that you will find out the differences only if you like them. If you don't like them, if you think that your way is the right one, you will continue to have **prejudices**, without understanding, and in that case, it would be better to stay in Europe, because prejudices about Japan: Our media are full of them.

Prejudice and
experts prejudice!

Sometimes I even had the feeling, that I learned during this training at least as much about Europe as about Japan. Maybe it's time to explain a little about my background for those few people who read this report this far. What is real and what is our perception of reality depends on our personal experiences. Not only my business activities have to be explained, as **SCM Microsystems** is probably less known than companies like BMW or BASF. Also my personal background might be slightly different:

Something about:

me

I came to Japan as Management Consultant and as Senior Director of Marketing and Business Development of **SCM Microsystems**, a company founded in 1991, based near Munich and in California and dedicated to the PCMCIA or PC-Card business. SCM is the leading company in US and Europe in Desktop - Compatibility Solutions for PC-Cards, and the step to the second largest market in the world, to Japan, is inevitable. My target was to find out, whether or not it makes sense to come and make business here, and to define the right way to do it. As there are no major barriers to see, SCM will open a branch office in Tokyo in 1996 and take an adequate share of an exploding market within the next three years. I'm glad to say that this will be my responsibility, and I have become very well prepared during this three months management training. Most probably you will find SCM within the next two years in the High-Tech lists of international stock exchange.

SCM

business target

Globalization

NASDAQ

I came to SCM as Management Consultant, through my close contacts to TVM, a leading German **Venture Capital** Company, which invests only in High-Tech and is the leading investor for SCM.

Management Consultant

TVM is funded with money from institutional and industrial investors, one of them is Siemens. And that's where I have been for ten years of my business career, at **Siemens Telecommunication** and in the computer division, today called **Siemens-Nixdorf**. During that time I spend 3 years in Paris as Marketing Director and 2 years all over Eastern Europe. I've been involved in several company wide projects like CBT, Multimedia and "Home of the Future".

Computers and Telecommunication

Siemens SNI

Additional Background: Managing Director of a small software system house and senior consultant in a financial group, today part of the Deutsche Bank group.

Investment

One of my hobbies, computer aided music-creation, made me become a real Multimedia person, (you can imagine how I have enjoyed Kalaoke) so my consultancy activities are based on three axes:

Multimedia

- **Global Success Strategies**
- **Multimedia / Online**
- **High Tech Investment**

Management Consulting
More Info:
Fax, Phone
or E-Mail

During my stay in Paris, I got married to the most wonderful person in the world, my Portuguese wife. This changed my life in a certain way, because indeed, I feel much less German than European. And although my wife still and always detects some very German attitudes, I have the feeling that most of those German ways of being "tête carrée" sometimes disturbs me; "am **Deutschen Wesen** wird die Welt nicht genesen." Already in Paris I met Germans, who were happy to go back, because they didn't feel well with the French, they didn't like the differences. When I had to leave for professional reasons, I had tears in my eyes, just like now.

European

so German...

Some of the German stereotypes were very present during the training. Why do Germans need to speak out their opinions always so direct and loudly, without even questioning whether someone wants to listen? It was easy to see, that some of my colleagues had grown with a sort of economic enmity versus Japan, and many questions were more opinion statements than real open questions. I was glad, that even the most German did admit in the last days, that he had to **correct** many prejudices.

In my days at Siemens I enjoyed holding many European meetings, and here I enjoyed that mixture again. From the typical, friendly, extroverted Italian, to the quiet, introverted Finnish, this was really Europe, although unfortunately the French presence was lacking.

My new
European
Friends

The differences inside Europe are probably bigger than the differences between an "average European" and Japanese. And there were many things discussed as typical Japanese, which are not so different:

Some asked whether the small number of women in Japanese management was a result of female discrimination, but they didn't mention, that we have in European management positions only very few women. There was **no female** European participant. (There were two female Japanese managers in our joint study)

"Tatemaie" was explained as the Japanese word for the facade, the pretended side of a situation, while "honne" would mean the real content, but would rarely be mentioned. But "Tatemaie" is by no means a Japanese thing, it's only the Japanese word for a worldwide phenomena: How can Europeans complain about **regulations** in Japan, while everybody knows, that at least large parts of the French and German economy are highly regulated? The Japanese NTT and the ministry of telecommunication are often criticized for protecting the high prices and low services against international competitors. The German Telecom, probably the best hated institution in Germany because of its arrogance, poor and expensive service, succeeded to postpone the highly necessary opening of the German telecommunication market until 1998. The labor unions succeeded to make the privatization a foreseeable failure by receiving guarantees for zero layoffs for a certain time period. So the German Telecom will stay a non competitive organization, that will need continued protection.

European
Tatemaie

Many things have been said about the "false" **unemployment** statistics in Japan. Employees are not fired, but moved into small outsourced businesses or left without work in the company until they leave. In Germany we have a real record unemployment rate, and still we are neglecting to create employment in the service and distribution sector by limiting the opening hours of shops to 6:30 p.m.. And: It's the labor unions, who protect this law, thus at the same time stopping clients from enjoyable shopping, and keeping the unemployed from jobs.

life time
employment

versus

life time
unemployment
system?

But we prefer to point out the obstacles in the Japanese system than to do our homework. You have to go shopping here, to see how **service** and product quality can be and to look at some factories, to see, that some of the quality delivered from Europe or America is just not good enough for what the Japanese customer is used to. Now, they start accepting slightly lower quality, if it comes with significantly lower prices. So, if you are a European company, that is able to deliver the **high quality** standards here, you can make business with good prices; in the other case, there's still enough market. In both cases, the demand in availability and delivering quality is higher than elsewhere. The purchasing **volume** of Tokyo is equivalent to that of the whole People's Republic of China today, but many European managers (including me) went enthusiastically to China, and many still hesitate to come here.

Germany:
a service
desert

Japan: If you can
make it there,
you'll make it
everywhere

It's often said, that Japan is behind in IT, Office Automation, Networking etc. Although it may be true in classical data processing (several companies mentioned evaluating R/3): The efforts that are made in Multimedia and InterNet and the booming personal computer market show the opposite.

Information
Technology

The emerging technologies of Computers, Telecommunications and Consumer Electronics open doors to completely new contents and communication facilities. I did in Germany a series of management trainings on the topic: "What does Multimedia mean for managers, which impact will it have on your business." It is my clear opinion, that managers have to know these things now, in order to become players instead of victims of the process. The Japanese know what to do, to become an important player in this area, and they know about the importance of Multimedia and InterNet better than many European managers and politicians.

InterNet

For one company visit I prepared, "on behalf of half of the group", a presentation about **ce-marking**. I worked on that topic lately for an American client, so it was possible to improvise some transparencies. I was asked to talk one hour in front of about 20 engineers. I asked to reduce the time to 30 minutes. In fact, I had 15 minutes to talk to 6 engineers, who already knew the subject, and even with that I spoiled the agenda. It was not possible to find out, who had the idea, and who created the demand; I had the impression, that our Japanese audience was as astonished as we about this item on the agenda.

Nice
experience

No
comment

Eric M. van Veenstra, a Dutchman and former participant, said that you can decode a country only through the **language**, and I think that's true. As a human being who enjoys to communicate, I felt the limitation very hard, because many Japanese just don't speak English. The Japanese lessons did disillusion me; I had this great experience in France, where I was told to have been the fastest French learning foreigner. (The French are sometimes very friendly, so I didn't take this compliment very seriously, although I liked to hear it). Now, after several weeks learning Japanese and being here for three months, not to be able to communicate in Japanese is somehow frustrating. This has nothing to do with the method: Sei-San, Kattoo-San and all the others did a very good job, just: it's more difficult.

Japanese
Language

But, if I compare, what I understood about the Japanese language three months ago and what I know today, it's a huge progress. And I don't give up that easy: I'm motivated to continue, and I will be able to speak, understand and even read and write some Japanese one day.

Challenge

Nevertheless, for doing business with Japanese who don't speak fluent English, I will need an **Interpreter** for many years. And we had good ones, and here I have to thank Kumiko Kikuchi-San, who, it seems, sometimes smoothed my too straight forward questions. One special experience made me decide to take an interpreter of my trust whenever I don't know exactly, whom I will meet, even if the partner I visit has its own interpreter. This "other side" interpreter risks to be so much involved in his group, that you risk (and I once suffered it) unnecessary misunderstandings.

Interpreter

Another Dutchman, the author Cees Notebohm said something like: you can learn from men what the world is like, but from **women** what it is. (Double translated, so I hope it's not too far from his intention). So to understand a culture, it's good to listen to women. It's them who educate, it's them who in many cases control the real life, while men, occupied with their business games, are often just pretending. And women have a higher developed emotional competence than men. As I'm happily married, female contacts had to be reduced to a reasonable and honorable extend. Within this frame I tried to find out as much as possible. (Honi soit qui mal y pense)

Japanese
Women

And it's easier than I thought, to talk with Japanese women about nearly all important parts of their lives, and I never expected something to be so contradictory. Was this highly-skilled journalist lady with all her social engagement just kidding, when we talked about marriage and she said: "I'm not married, but maybe you could help to find a nice man for me?" I heard several times, that young women are not enthusiastic about the classical way that Japanese men treat them, and the role they have to play, but when it came to the question, what kind of life they are dreaming of, the answer was: "**I have to get married** to a man in a good position and take care about the house, the money and the children."

Non
representative
experiences

What I've seen in established families reminded me strongly of the families in Portugal. Here and there it's the women, who **control life**, social contacts, education, budget etc.. Asking Japanese men, how much of their salary they spend for what, they will, without hesitation tell you: "ask my wife, because she runs the budget." The difference between Latin women and Japanese is anyhow, that the former wouldn't like to have their men working and staying after hours that much, they'd rather like to have them at home than in a kalaoke bar.

Maybe, the price women have to pay for being discriminated from a career is to go home on time, take the full holidays, go to aerobic and other pastimes instead of doing unpaid overtime?

Maybe...

Another difference to Europe: When I walk through Paris or Madrid, it's easy to catch the eye of some **beautiful ladies**, charming and smiling at you. The more beautiful they are, the more they use their eyes as antennas, either to get in contact, or often just to check the reaction to their beauty.

beauty

In Tokyo, people seem to be very occupied with something important, so they rarely look around or see others. This can have to do with a certain shyness. And the more beautiful they are (and some Japanese women are really very, very beautiful) the more they keep their eyes down.

eyes

faces

On my way to the Center I walked very often against the direction of the crowd, coming out of the subways. I could easily see the difference between the tired, concentrated Monday-faces and the happy, relaxed **Friday-faces**.

expressions

Also, in opposite to what you generally hear, you find many younger Japanese couples holding each other close.

body contact

In a shop in Namizu I've seen all these martial samurai clothes, that young boys receive when they are nine or ten; I would have liked to have the same, when I was a boy. A little Samurai education seems to be in every Japanese male.

Samurai

Positively surprised I was by the way that Japanese deal with religion. In Christian religion we are used to a dogmatic "one god only" approach, which created through the whole history religious fights, harm and disaster, and it still does.

Religion

My Japanese friends stop at a Buddhist temple as well as at a Shintoist, to make a short prayer, and we picked up one friend on 24th of December from a catholic church, to go to dinner together. In **religious tolerance**, we could learn something.

less serious
more tolerant

I didn't have much time for a cultural program. I went to a kabuki, which I strongly recommend and I had the pleasure of staying in a ryokan and honsen. The day after the Farewell Party I went to a Keith Jarret Concert, one of my favorite musicians for more than 20 years, to see him the first time live. In Tokyo, you don't suffer anything, the offer is larger and more diverse than in most European towns.

Cultural
program

This is also true for **food**. You can go to nearly every place, eat every kind of international food, its always good and fresh. Even the best Japanese restaurant in Munich can't compare with those here. Most Germans think about Sushi and Sashimi, when they talk about Japanese kitchen. I'm wondering how I will be able to live in Germany without Soba, Lamén, Okonomiaki, Shabu-Shabu, Tempura etc.

Another reason
to come back

I've been to Kyoto and Nara twice, which is a must, and I visited two European artists, based near Kyoto, that I met last year in Los Angeles. Their **artwork** has to do with multimedia and **virtual reality** and is shown in an exhibition in Tokyo from April 1996. I enjoyed two long nights chatting about Japan, Europe, art, business, management, intellectual property and artist rights. Those who are interested in this kind of art will know the names, or should remember them:

Sightseeing

Art

Christa Sommerer and Laurent Mignonneau. (E-Mail: christa@mic.atr.co.jp)

So far my general observations. It's not made to be complete or objective. It's no analysis, and I'm aware, that many things I didn't understand correctly. If somebody declares himself to be a "**Japan-Specialist**" after three months: he's a fool. This time was just enough to learn some basic things and to find out, whether or not you like it: **I do**. Let me end by thanking all those people who made this experience possible, the background people of MITI and EU, the management and the friendly and well performing staff of the EU-Japan Center, the companies who invited us and showed and explained their activities, my partners in the company visits, and all the others who contributed.

*Domo aligato
gozaimashita.*

Of course, in every program there is room for improvement, and I made some remarks on that in the evaluation forms. If we could, we should try to swap Japanese only speaking lecturers for English speaking Japanese, because it's very often hard to keep concentrated for the whole day, when the lecturer reads his text with a monotone voice and we have to wait for the English translation. Sometimes I was amused that some Japanese, although adopting many things from America, didn't adopt any kind of salesmanship or show business attitude. Often they remained seated, and they rarely used visual aids, although everybody knows, that in a more energetic and visual presentation you get a much higher percentage of the message across. But these are small things, which did not detract the quality of the whole thing.

The Program:
Criticism?

Sales
Showmanship

Training?

Was there something negative, something that disturbed me? OK, I'll mention one thing, but only to have a foreword for the following **positive remarks**: I found it astonishing, that the two general managers of the center had so poor communication with each other. I think that persons in such an exposed position should be able to control their reactions, and even if they aren't good friends (which they should be) they could at least pretend that they like to work with each other: A little more TATEMAE please!

I was lucky to talk with both of them, and I know, that both are very kind, friendly people, able to communicate and to compromise. Neither of them ever said anything negative about the other one. I like them both, so thank you for the time and the nice talks we had. And, on behalf of the group, I would like to thank Kumazawa-San for the good organisation and the excellent farewell party. Thanks, Malcolm, for the good examples of the British sense of humor.

...on behalf
of the group

The very dominant impression of this training course is absolutely positive. I was relatively skeptical, whether a program like this could **really** be **efficient**, and it was. And of course, it's never the program which is efficient, it's the people who do it. **They performed incredibly well**. Our program coordinators worked until late in the evenings, and they did it in a perfect way. The continuous **friendliness** of these people is impressive. I very often dropped into the office, disturbed them from concentrated work with some funny new ideas, for which, in many European offices I would have received at least some raised eyebrows.... In the center, my questions were answered correctly and in a friendly way, and I received so many nice smiles, that I felt encouraged to come back again with the next idea. Thanks a lot.

Enthusiasm!

As I can't take
you with me
to Europe:

I'll come back

Don't worry, I will not go through all the trips, lectures and company visits. Where I have been, you will see in the overview of my Individual Company Visits. I'm working on a separate **business report** on my visits to Computer, Multimedia and Venture Capital Companies, so those who are interested, can get it and ask questions on it. Just contact me by phone, fax or E-Mail. Needless to say, I offer information as well as business help

**Ask for more
detailed
business
information**

But let me mention one highlight, which was the **Joint Study**. We were lucky, because we had seven Japanese and seven European managers in a real face to face situation. And we were lucky with the choice of our Japanese colleagues. They were very open, and as interested in our point of views as we were in theirs. In the sales talk, where we tried to sell air conditioners to a Japanese Real Estate Company, it came out clearly, how efficient the Japanese and how chaotic the Europeans are. Here I really have to **thank all participants**, and I hope, we'll stay close friends.

If I had only come
here for this, it
would still have
been worthwhile

**Japanese
Friends**

Personally, I have to thank Mrs. Yuko Kimijima and her family. She's a lawyer at TMI associates, an international lawyer company in Tokyo. She studied in Germany (IP rights) and encouraged me in my decision to come here. Congratulations to your Ph.D.!

Special

It's the 22nd. March and I spend more time writing this than I thought. I could go on chatting for hours, but I honestly can't imagine that anyone wants to continue listening, and so I end here. Please read the reports of my colleagues, because they write all the things that I left out. Many thanks to them, some became really good friends. (Let's keep in contact, let's phone from time to time and meet again.)

European
Friends

It was sometimes hard work. After this three months I understand why the EU points out that participants should be in good health condition. I'm looking forward to take some days off now.

No holiday trip

To anyone who wants to understand the global world markets, where Japan is an important part, I would **recommend participating** in this Management Training, even if you are not directly involved in Japanese business in the very moment.

Recommendation

To my strongest competitor, or to my biggest personal enemy, in case I have any, I would recommend: **stay away**.

One of the slides made for the SCM boardmeeting upon Japan:

**TAKE CARE:
JAPAN IS NOT
EUROPE
IS NOT
USA**

**LEARN SOME WORDS JAPANESE
START HIRAGANA NOW!
TAKE AN INTERPRETER TO IMPORTANT MEETINGS**

**GAI-JINS ARE WELCOME - FIND JAPANESE BUSINESSMEN ASAP
STAY WHAT YOU ARE, BUT UNDERSTAND AND LIKE JAPAN
RESPECT JAPANESE RULES, AND JAPANESE SPEED
LIKE KARAOKE, FIND GOOD FRIENDS
WORK HARD AND ENJOY YOURSELF**

**QUALITY
QUALITY
QUALITY IN PRODUCTS, SERVICES, RESPONSE
LONGTERM, FRUITFUL RELATIONSHIPS**

**SOME
HINTS:
HUMAN**

**SCM
MICROSYSTEMS**

goes  

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This is page 10
of the report, that Günter Lukas wrote in march 1996
after staying three months in Japan. The complete document is 10 pages!