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Business Education and Human Resources
Development in Japan:
Issues and Challenges

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Business Education and Human Resources Development in Japan: Issues and Challenges

1. Business education and corporate human resources development

Reflecting the growing social interest in a professional orientation to business, business schools intended for adults (or non-traditional students) have emerged in rapid succession in Japan from the latter half of the 1990s to the present. In terms of adult MBA (Master of Business Administration) education in Japan, most courses have been modeled on the U.S. business schools and in fact a vast number of adult graduate students have completed their MBAs, gone back to their respective companies and are “playing prominent roles” in their respective fields. However, at a number of Japanese companies, recruiting officers have complained that, “many quit their jobs too soon after acquiring their MBAs,” and some have even voiced the pessimistic opinion that, “MBAs are useless in Japanese companies.”

Such dissatisfaction with the MBA programs in Japan can be understood if seen in the context of the traditional method of human resources development in Japan, where on-the-job training (OJT) has been the main method of education and also from the fact that MBA education in this country is still in its infancy, and an MBA education program that is truly in tune with the needs of Japanese companies has yet to appear. It is undeniable that we are still at the stage where MBA education programs are being imported directly from the U.S. and merely being run on a trial basis. As a matter of fact, several companies seem to have given up on this type of university-oriented MBA education altogether, which they see as something of a dead end, and are beginning to explore the possibility of forming their own corporate universities (universities within enterprises) to train their professionals.

In this book, I intend to investigate both theoretically and empirically such issues as, whether the MBA education programs of the business schools offered by the universities of this nation, which have emerged against the backdrop of such heightened interest in a professional orientation to business, are truly useful from the point of human resources development at Japanese companies; their differences when compared with corporate universities; if business schools are found to be useful, then what role they should play in human resources development at Japanese companies; and the ideal form of MBA education for Japan and how it matches the context of Japanese companies and how it differs from MBA education in the U.S., through comparative studies of the business education systems of the U.S., Europe and Asia. The ultimate goal of this book will be to theoretically explore what role business education, as offered by Japanese universities, should play as an alternative form of human resources development to traditional OJT and additionally to offer specific recommendations based on these insights that will eventually lead to practical suggestions.

2. The trend towards adult reeducation

First of all, as a reflection of the recent trend toward a professional orientation to business in this nation, I would like to touch upon the rapidly growing phenomenon, seen in the past few years, of what is called adult

reeducation. Figure 1-1 shows the rate of increase in recent years of graduate schools intended for adults. Figure 1-1 is a graph of the number of graduate schools that provide so-called “special selection procedure for adult students.”

(Figure 1-1)

“Special selection procedure for adult students” refers to the admissions process implemented by graduate schools in selecting students who have joined the workforce upon graduating from college and who have at least a few years work experience behind them. The graph indicates that such graduate schools increased steadily from 1989 to 1997. In 1989, only 63 graduate school programs offered by all the national, public and private universities combined provided special selection procedure for adult students, whereas in 1997 that number had increased 7.5 fold to 478. The rate of increase becomes even more marked after 1992. Needless to say, these numbers not only include business schools but also the graduate schools for the other social sciences such as economics and law, as well as those in scientific fields including medicine, dentistry, and engineering. Thus, these numbers are a clear indication that this trend for graduate schools, regardless of whether they are national, public, or private, to welcome adult students has increased dramatically in the past ten years.¹

Figures 1-2 and 1-3 show the changes in the number of adult students entering graduate school programs in the past few years. Both figures indicate the change in the number of students entering graduate school by year; Figure 1-2 shows the number of students entering masters programs, while Figure 1-3 shows those entering doctoral programs. The number of adult students from the workforce entering masters and doctoral programs has been increasing dramatically in the past ten years in concert with the rapid increase in the number of universities allowing special selection procedure for adult students as seen in Figure 1-1. As indicated in Figure 1-2, whereas the number of adult students entering masters programs in 1992 at national, public and private universities was 2,263, in 2001 the number had multiplied 3.3 fold to 7,432. In 2004, the total number of adult graduate students at national, public and private universities increased even further to 8,136.

(Figure 1-2)

(Figure 1-3)

In the same way, the number of adult students entering doctoral programs, which traditionally had been mainly intended for those aspiring to become academics, rapidly grew, especially after 1992 and indicates an almost identical increasing trend. We can clearly see the growing trend over this period among corporate workers to go back to graduate school to get their doctors degrees.

3. The target and scope of “business education”

Then what exactly do we mean by “business education?” It is, first of all, necessary to clearly define the target and scope of “business education” referred to in this book. In the preceding paragraph, we observed that adult reeducation is rapidly expanding at both the masters and doctorate levels in graduate schools. In this book, we will specifically limit the use of the term “business education” to denote the education offered for the specific purpose of acquiring the degree of Master of Business Administration (MBA) on the masters level.

The main reasons why we are limiting our definition of business education to graduate school education for the purpose of acquiring an MBA, despite the fact that opportunities to study “business administration” abound outside of MBA programs, e.g. at undergraduate and doctoral levels and even in various organizations outside of universities, are as follows:

First, as mentioned at the beginning of this chapter, in the context of the changes taking place in human resources development in Japanese companies today with particular reference to OJT, the business administration program intended to replace the traditional in-house OJT is not offered at the undergraduate or doctoral levels but exclusively through MBA programs. From the perspective of the graduates’ future careers, undergraduate business administration programs in Japan, at least at the moment, do not offer any major advantages over the other study courses, while PhD programs on business administration, on the other hand, are extremely rare in Japan for now. Thus, I felt that the purpose of clarifying the role to be played by universities as the ever-expanding providers of business education and its social implications could best be served by restricting the focus of the theme of this book on business education to the MBA level.

Second, it is evident that only by undertaking an international comparison of business administration programs on the MBA level, which is by far the most common form of business administration education from a global perspective, can we conduct a valid examination of the state of business education in Japan or pass judgment on whether Japan in the future will adopt an enterprise/university relationship similar to that observed in the U.S. Moreover, when undertaking international comparisons, it is necessary to establish a common point of reference. Consequently, in view of the necessity of making appropriate comparisons with overseas business education programs, adopting MBA programs offered by the universities as the standard of comparison is deemed to be the most appropriate approach.

4. The issues and analytical perspective of this book

When considering the dramatic rise in Japan both in the number of business schools and businesspersons wanting to attend them, a number of issues need to be raised in the discussion of business education theory. The major issues may be largely divided into (1) the nature of the MBA education that is to be provided in business schools and (2) international comparisons of business education. In this section I will examine the above two issues and the analytical perspectives thereof.

(1) The nature of MBA education in Japan

The first point is related to the question of what type of business education should be offered at the rapidly growing number of business schools in Japan, i.e. the ideal form of MBA education for adult students that make up the majority of graduate students. As we are aware, most of the business schools in Japan at the moment are modeled on their American counterparts. In other words, most Japanese business schools have taken the syllabuses from the top business schools in the U.S. and simply “transferred” them to Japan. Despite some cases where adjustments have been made to accommodate the differences in the Japanese situation (cf. Kobe University Graduate School of Business Administration (2001), p. 175), those adjustments remain minor and the programs are largely based on the MBA curriculums of the U.S. This phenomenon of the “American Standard” becoming the model for MBA education is not confined to Japan, but is also common throughout Europe and the Asian nations, as pointed out by Cheit (1991, p.195). As is the case in a number of other fields, the American standard has become the de facto standard in business education.

However, the question of whether the curriculum of American business schools truly meets the standards of Japanese business will require an in-depth empirical examination. It is a well-known fact that the business systems of Japanese companies were established and developed on historical and cultural bases that were completely different from those of Europe and the U.S. [Whitely (1992), p.9; Whitehill (1991), p. 194; Kono and Clegg (2001), p. 14]. When we consider that the basic nature of business in our nation differs fundamentally from that in Europe and the U.S., it is only natural to assume that the nature of “useful” business education for Japanese companies would be different from that which would be considered “useful” to businesses in Europe and the U.S. [cf. Kamibayashi (2001), p. 20]. For example, one of the reasons cited when explaining why education offered in business schools is not regarded as highly in Japan as elsewhere is because workers in Japan are more heavily oriented toward being “members of an organization” than their counterparts in the U.S. and Europe and being a “professional with a specialized skill” is a vague concept in Japan. In the past there was a strong tendency to identify oneself with the organization and to try to find a means of survival within the organization to which one belonged rather than to consider oneself to be a professional businessperson [Okumura (1997), p. 454; Ota (1999), p. 10]. Then does the current business school boom signify the end of this organizational orientation and the elevation of the awareness of professionalism?

A useful perspective in examining the problem of importing the American model of business education into Japan is the degree of satisfaction and usefulness felt by students from each business field, measured when the student has completed the MBA program, has gone back to his/her workplace and a certain amount of time has elapsed. The curriculum of the business schools in Japan tend to be primarily divided into the field of strategic theory, including business strategy and marketing strategy, the field of control theory, including internal control and personnel management, and the field of accounting /finance, including accounting/finance theory, and it will be necessary to investigate what kind of needs the adult graduate students taking courses in the various fields have and whether these courses are satisfying these needs. Furthermore, an

interesting research project would be to conduct a follow-up investigation of what types of careers businesspersons subsequently followed and what significant roles they played after they went back to their workplaces upon completion of their MBAs and their accomplishments.

Another viewpoint related to the above, but also of vital importance in its own right in the investigation of business education in Japan, is the question of whether business education is an academic discipline to be taught in a university. Such “confrontations” between the academic and business worlds are nothing new and have been repeated countless times ever since the beginning of the twentieth century when departments of business administration were first established in universities in Germany and Japan [Yoshida (1991), p. 101]. As mentioned in the introduction of this book, “if scholarship is not required in business, then businesspersons who are already playing vital roles in the actual business world should not necessarily have to go back to graduate school and systematically acquire business knowledge. The reason these men and women pay large sums of money to go back to graduate school to study is because by studying business administration they expect to utilize in some way the systematic knowledge that will be acquired. Some have pointed out that what is really needed in the management of an enterprise is not the specific skill, technique or the superficial art of business but a more fundamental and sophisticated approach that would include the humanities, social sciences and philosophy [Nippon Keizai Shimbun June 26, 2002, morning edition, p. 29³]. Moreover, in the U.S., there has always been a stronger pragmatic tradition than in Germany and Japan that favors learning that is at once practical and utilitarian from a social and economic point of view. Thus, whether business is to be understood as a science or an academic subject never became as pertinent an issue as it did in other countries. At any rate, it will probably become necessary to seriously consider what type of MBA education needs to be provided to businesspersons in the academic environment of the graduate school away from their companies, as well as the design of the program and its social implications.

(2) An international comparison of business education

Another meaningful approach in considering the optimal form of business education for Japan is that of an international comparison conducted through individual examinations of the actual business education being offered at the major business schools in other countries. Business schools have been established in major cities around the world and have followed their respective courses of historical development. The business schools of regions including North America, Europe (such as the U.K., Germany, Switzerland and Spain), Asia (including Japan, South Korea, Singapore and China), and Oceania have developed individual approaches that reflect their own historical backgrounds. By examining through an empirical approach whether these business schools are making a useful contribution to practical corporate activities, it is possible to put an interesting spin on the study of business education theory. As mentioned above, the majority of these countries have adopted the American model of MBA education. Amdam has stated that countries that, despite being outside of the cultural sphere of the U.S., have successfully imported the American form of

MBA education are characterized by four parameters: (1) an open attitude that is accepting of foreign (in the case, American) notions, (2) institutional foundations that enable the importation of foreign concepts, (3) the ability to critically appraise foreign concepts by comparing them to their own culture and traditions, and (4) a strong educational tradition that is able to resist pressure from abroad [Amdam (1996-b), p.21]. These parameters will also serve as guidelines in considering whether the American form of business education will actually take root in Japan and the method of adjustment if adjustments to these parameters are needed.

In conducting this analysis, there is one point of view that we need to be cautious of, namely, the assumption that basic concepts in business administration, including “management,” “competition,” and “service” all share a common interpretation. Caution is required as their interpretation may differ depending on the country. For example, Ishii (1993) has stated that there is no such thing as a neutral, inorganic or universal concept of “competition,” and in that sense there is no such thing as a general concept of “competition.” The concept of “competition” means different things to different societies, and in this sense the concept of “competition” may be said to be a culturally determined phenomenon [Ishii (1993), p. 82]. In considering the notion of business education also, we cannot ignore these differences in basic concepts pertaining to the study of business administration. The systems and curriculums of business education, which developed under the unique cultural environment of the U.S., have been constructed on the basis of the uniqueness of the U.S. It will also become necessary to clarify the relative meanings of such key terms that are considered common knowledge in the study of business administration in each of the countries offering business school education. Only by undertaking such a process will we be able to clarify what management means and what approach to human resources development should be taken in Japanese companies, in other words, the meaning of management relative to the other nations around the world and the “Japanese method of human resources development.” From this concept we may be able to define the role, as distinguished from other nations, that is to be played by business schools in Japan.

5. The basic theory of business education

As described in Section 2, a succession of business schools have emerged of late and the number of adult graduate students has increased exponentially. However, surprisingly few studies exist that deal directly with the various facets of business education from its academic stance to its actual conditions and ideal direction. Despite its social significance, business education may be said to be lagging behind as a field warranting serious study.⁴ However, there have been a number of earlier studies that may provide certain directions in our consideration of business education in Japan.

For example, the research group led by Professor Hiroki Sato at the Institute of Social Science at the University of Tokyo is conducting empirical research on approaches to human resources development in Japanese firms. As part of their research, specific studies were undertaken on the evolution of corporate thinking in relation to human resources development and the specific systems thereof, official and in-house qualifications were examined, and ways of

enhancing abilities that are socially acceptable were explored. Moreover, on the basis of the questionnaire survey conducted by the Nomura Research Institute in 1996, the results indicated the awareness that in the future, in terms of the corporate stance toward human resources development, the items of “more heavy investment in human resources development” and “personal responsibility for capacity development will be given more weight” will become more important than ever.⁵ Furthermore, they concluded that for businesspersons, “(adult) graduate school education will help students to order everyday experiences, cultivate the ability for abstract thought and enable a new perspective on matters to be developed,” and thus “businesspersons who work while going to graduate school will continue to increase” [Sato, Fujimura, Yashiro (2000), p.110]. In view of the fact that the majority of earlier studies on personnel/labor management and human resources management failed to mention graduate school education as a way of promoting human resources development, this particular study merits attention in that it takes into account the actual needs of the companies in its empirical investigations.

From the perspective of labor economics, on the other hand, the research group led by Professors Kazuo Koike and Takenori Inoki, focuses on the fact that workers in Japanese companies are capable of “intellectual skill formation,” and by adhering to the stance that human resources development in enterprises primarily lies in OJT, is skeptical about the effects of acquiring management knowledge and know-how Off-JT or outside of the company. According to Professor Koike, Off-JT constitutes a mere portal to full-scale skill formation and unless deep intellectual skills based on OJT are formed, substantive beneficial effects from human resources development and educational training can hardly be anticipated. [Koike, Inoki (1987), p. 35, Koike, Inoki (2002), p. 101]. They concluded that Off-JT “is not easily included in employee training programs because it cannot fully take into account the various problems arising out of uncertainty” and that “Off-JT cannot become the core of skill formation” as it is impossible to acquire all the essential skills required by each company only through OFF-JT [Koike, Inoki (2002), p. 27].⁶ It is evident that this traditional point of view that places skill formation focusing on OJT at the center of human resources development poses a type of antithesis to the position that encourages the formation of socially valid qualifications and outlooks that predict the growing importance of acquiring business administration knowledge at (adult) graduate schools in the future.

And from a historical point of view, there is an overseas research group that, while taking into account international comparisons, undertakes a historical examination of the trend towards the emergence of more and more business schools. For example, the Norwegian research group led by Professor Amdam (Amdam, R.P.), addressing the issue of to what extent studies in business schools can contribute to a company’s productivity and competitiveness, has conducted a detailed study on the historical development processes of business education systems, focusing on major nations. The group has clarified the institutional characteristics and differences in business education for each country and examined the optimal form of business education. Citing one example, the group considered the two major models of business education – the German model and the American model – and diligently analyzed issues

including why the American form of MBA education has become so widespread globally, what kind of developmental process has been at work and, in England and in Japan, what efforts were made to match the American system to traditional business environments, based on historical facts. Furthermore, they conducted an interesting study on such issues as how compromises are being made between the conflicting needs of the practical business world, which demands practical knowledge and know-how that can be used immediately and the academic world, which strives to analyze business theoretically as a science, and what type of business education is preferred by both worlds [Amdam (1996-a), pp.9-13].

As seen above, it is possible to find a number of prior studies related to the theory of business education, which is the main theme of this book. However, as stated at the beginning of this chapter, large empirical studies on the theme of business education in relation to corporate human resources development have been extremely rare.

6. Comparison of the curriculums of top business schools

Let us now take a look at the business schools in Japan and review their programs to see how they have been set up compared to their counterparts in Europe and the U.S.

Table 1-1 shows the courses offered by the world's top business schools. By top schools I am referring to the annual ranking of business schools as published by the Financial Times (<http://www.ft.com/businesseducation/mba>). This is an annual survey taken by the Financial Times which closely assesses MBA programs based on 21 criteria including program composition and the careers of alumni and offers wholly reliable data. The data quoted here consists of the top 20 programs for 2005.

In terms of the courses offered, these have been classified into five categories: strategy, organization/personnel, various occupational fields (operations management, marketing, finance, managerial accounting, management accounting, information), peripheral areas (microeconomics, macroeconomics, government/politics) and methodology. The numeral "1" has been entered when the class in question is offered and "0" when it is not. On the bottom row, the percentage of the 20 schools that offer the particular class is indicated.

(Table 1-1)

According to Table 1-1, the four subjects of strategy, marketing, managerial accounting and finance are offered by all of the top 20 business schools. Manufacturing control, macroeconomics and quantitative methodology are also offered by almost all, i.e. 95% of the schools. On the other hand, subjects such as organizational behavior and human resources management, management accounting, informational technology and corporate ethics are offered by 70% to 80% of the schools. Furthermore, we can see that subjects such as business and government (politics) and qualitative analysis are offered by less than half of the schools.

Similarly, I have drawn up a table of the composition of classes offered by business schools in Japan (Table 1-2). In selecting the schools shown in Table 1-2, I have included all the business schools with MBA programs on the Ministry of Education, Culture, Sports, Science and Technology's 2006 list of specialized graduate schools which offer MBA and MOT programs (however, schools established as corporations, schools established pursuant to the Law on Special Zones for Structural Reform and graduate schools specializing in accounting have been excluded) in addition to the business schools ranked in the top ten by Nikkei Sangyo Shimbun (Keio Business School, Hitotsubashi University Graduate School of Commerce and Management, International University of Japan, Tama University and Waseda University Graduate School of Commerce) that offer easily accessible data on the composition of courses and programs, for a total of 19 schools.

(Table 1-2)

From the information in Table 1-2, the same trends in major course offerings and percentages in schools offering major courses seen in the top 20 business schools worldwide can also be seen in business schools in Japan. For example, the subjects of strategy, marketing, financial accounting, and finance are offered at all schools. Moreover, in the case of Japanese business schools, all schools offer courses on information technology management. Management accounting is offered by 95% of the schools. Classes on organizational behavior and human resources management classified under organization/personnel are offered by around 80% of the schools, indicating a trend similar to the top schools worldwide. Moreover, the fact that the percentage of schools offering other subjects including peripheral areas and qualitative methodology is relatively low also coincides with the overall world trend.

If we are to point out one difference between the course offerings of the top 20 business schools worldwide and the business schools in Japan, it would be the relatively low percentage of schools in Japan offering courses on the "peripheral areas." This is indicative of the fact that at the present time business schools in Japan are busy preparing and offering those subjects that they regard as absolutely essential to business education, i.e. strategy, organization/personnel and courses on various occupational fields, and have yet to offer an adequate number of courses in the peripheral areas and thus, in this respect, are not up to world standards in terms of the number of schools offering these subjects.

As seen above, despite lagging behind in the provision of courses on peripheral subjects, in terms of the composition of its major courses, business schools in Japan are similar to the top business schools overseas and from the perspective of the percentage of schools offering major subjects, Japanese business schools may be said to have reached a stage where they are on a par with the top schools internationally. The real issue, then, does not lie in the outward structure of the course offering system but in the contents. In other words, the important question is whether the objectives of the company dispatching its employee to the MBA program match the contents offered by the MBA programs.

7. The structure of this book

Taking into account the two major issues and the analytical perspectives stated in Section 4, the specific tasks to be addressed by this book may be summarized by the following three points:

- (1) Clarify, in concrete terms, the purpose and the anticipated outcome envisioned by the company in dispatching its employees, in cases where Japanese companies send their employees to MBA programs at Japanese universities.
- (2) Clarify, in concrete terms, what has been gained by the alumni from the MBA programs, how these programs are being utilized and how the alumni intend to utilize them in the future, focusing on students currently enrolled in MBA programs in Japan (or employees who have completed MBA programs in Japan).
- (3) Suggest, in concrete terms, what MBA programs in Japan should offer that is different from the MBA programs in the U.S., and how MBA programs in Japan should be utilized by Japanese corporations for human resources development.

As seen above, the ultimate goal of this book is the clarification of the method that Japanese universities should adopt in providing business education as distinct from the business education offered abroad and the significance of its implications and the role it should play in the future of human resources development in Japan. The book is divided into the following chapters.

In Chapter 1 and 2 that follow, the current state of business education offered by universities in Japan is described. Chapter 1 focuses on a number of Japanese companies that have sent their employees (or are currently sending their employees) to MBA courses offered by Japanese universities and examines and analyzes the intention of the companies and what types of results are expected. In Chapter 2, I present a survey on those employees currently working in Japanese companies who have attended MBA programs in Japan and are MBA holders (employees who have acquired MBAs), or are currently enrolled in MBA programs, and examine such issues as what, in concrete terms, they are seeking to acquire from their MBA education; and consequently what they have actually acquired; and after having gone back to their respective workplaces, how their MBAs are actually being utilized. An analysis of the survey results is then presented.

I gather the relevant information on the intentions and the anticipated results of the Japanese companies in sending their employees to MBA programs in Japan and the actual implications of receiving a business education through a MBA program in Japan, by conducting questionnaire surveys and interviews. A more detailed description of the methodology is given in Chapter 1.

There was a tendency for Japanese companies to send their employees to MBA programs mainly in the U.S. and other foreign countries, rather than send them to programs offered at Japanese universities. One of the reasons for this phenomenon was the scarcity of universities that offered MBA programs in Japan until recently. In Chapter 3, I will compare the MBA holders who have acquired their degrees in Japan with those who have

acquired their MBAs overseas and analyze how and at what points their sense of purposefulness and their results differ.

Finally, in the conclusion, I summarize the facts that were discovered through the process of compiling this book and perform an evaluation of business education in Japan from the perspective of human resources development in Japanese companies. It will, then, become evident that the pattern of human resources development called for by Japanese companies is the long-term, theoretical and process-driven type of development rather than the short-term, practical and outcome-oriented type of development represented by the U.S.; that an MBA education that takes these directions into account will match the needs of Japanese enterprises and that it is this type of direction that will be called for in the future.

[2007.2.1 798]

Notes

¹ According to the basic survey on schools by the Ministry of Education, Culture, Sports, Science and Technology, as of May 1, 2004, the academic field with the highest percentage of adult students was social sciences. (Source: *Nippon Keizai Shimbun*, morning edition, September 4, 2004)

² Although the number of graduate courses available for working adults multiplied seven-fold from 63 to 478, the number of graduate students enrolled in masters courses only multiplied three-fold from 2,263 to 7,432, despite the differences in time frame. On this point, it is noteworthy that this data is indicative of the possibility that a disproportionate number of adult graduate students have enrolled in certain universities or that there are a number of graduate schools that are open but operating at a very low level.

³ From the round-table discussion on “The Role of Business Administration” and “The Whole Concept of Business Administration Education” by Ikujiro Nomura, Professor of Hitotsubashi University Graduate School, Fujio Mitarai, Chairman & CEO of Canon Inc., and Tadao Kagono, Professor of Kobe University Graduate School. This was pointed by Professor Kagono.

⁴ However, the field of “business education” has existed for a considerable period in association with academic societies specializing in the study of business education. Yet in even such cases, the emphasis was on the perspective of “business administration as a practical science” that would be of use for actual business management practices. It seems that studies from an academic perspective on business administration dealing with the relationship between human resources development and the concept of business schools have been rare. See Yamashiro (1990), p. 16, Nippon Academy of Management Education (2001), p. 175, and others on this point.

⁵ Additionally, this study also concluded that OJT is rated more highly than collective training programs and other forms of Off-JT. It should be noted, however, that this study coincided with the Heisei Recession, which occurred in conjunction with the bursting of the economic bubble in Japan and is said to be the worst post-war business recession Japan has experienced.

⁶ According to Professor Koike, international comparisons also show that OJT is the main channel by which basic skills are acquired not only in Japan but

also in the U.S., England, Germany and other countries. See Koike, Inoki (2002), p. 27.

Figure 1.1 Change in the number of graduate schools that provide special selection procedure for adult students

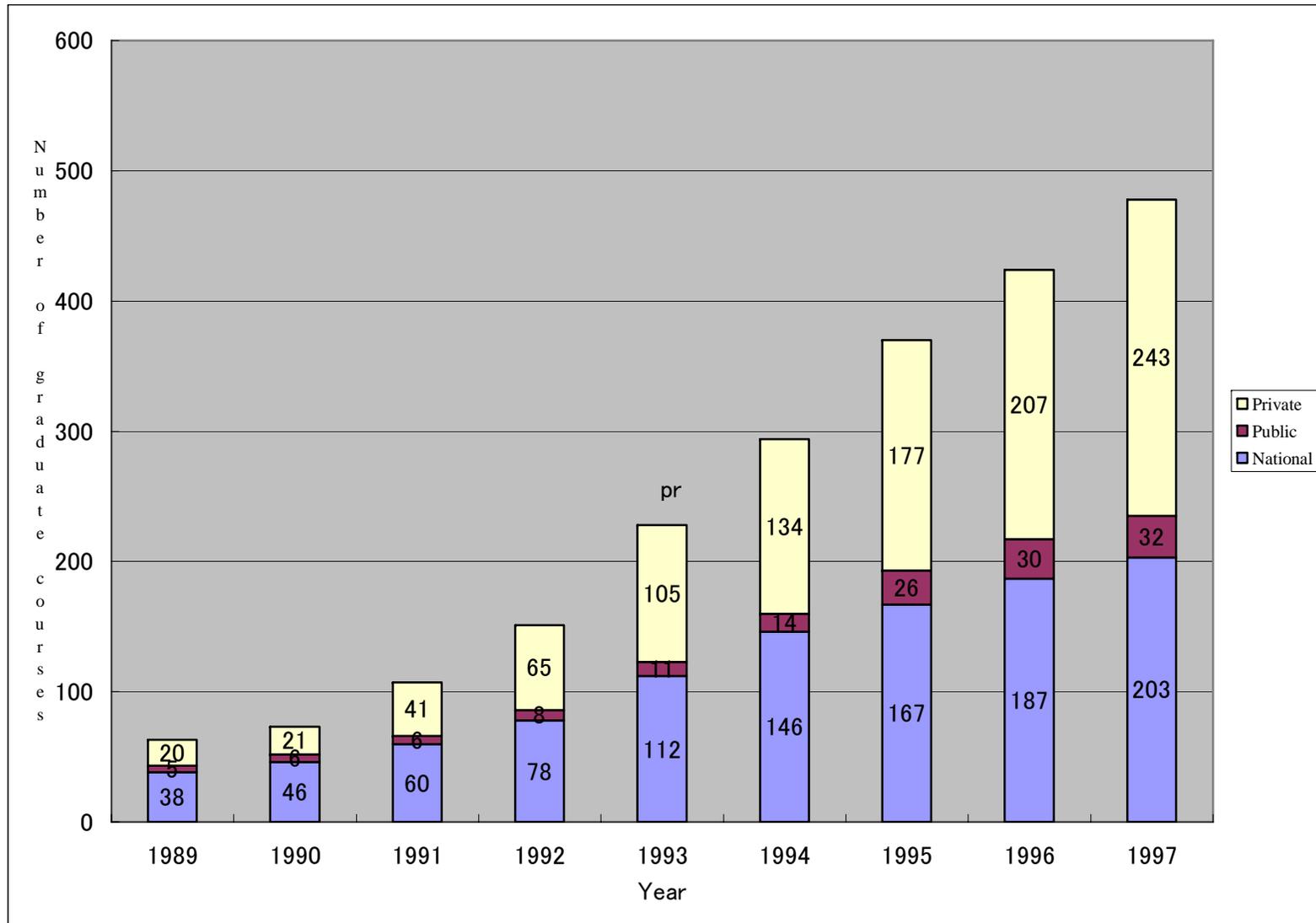


Figure 1.2 Changes in the number of adult students enrolling in graduate school masters courses

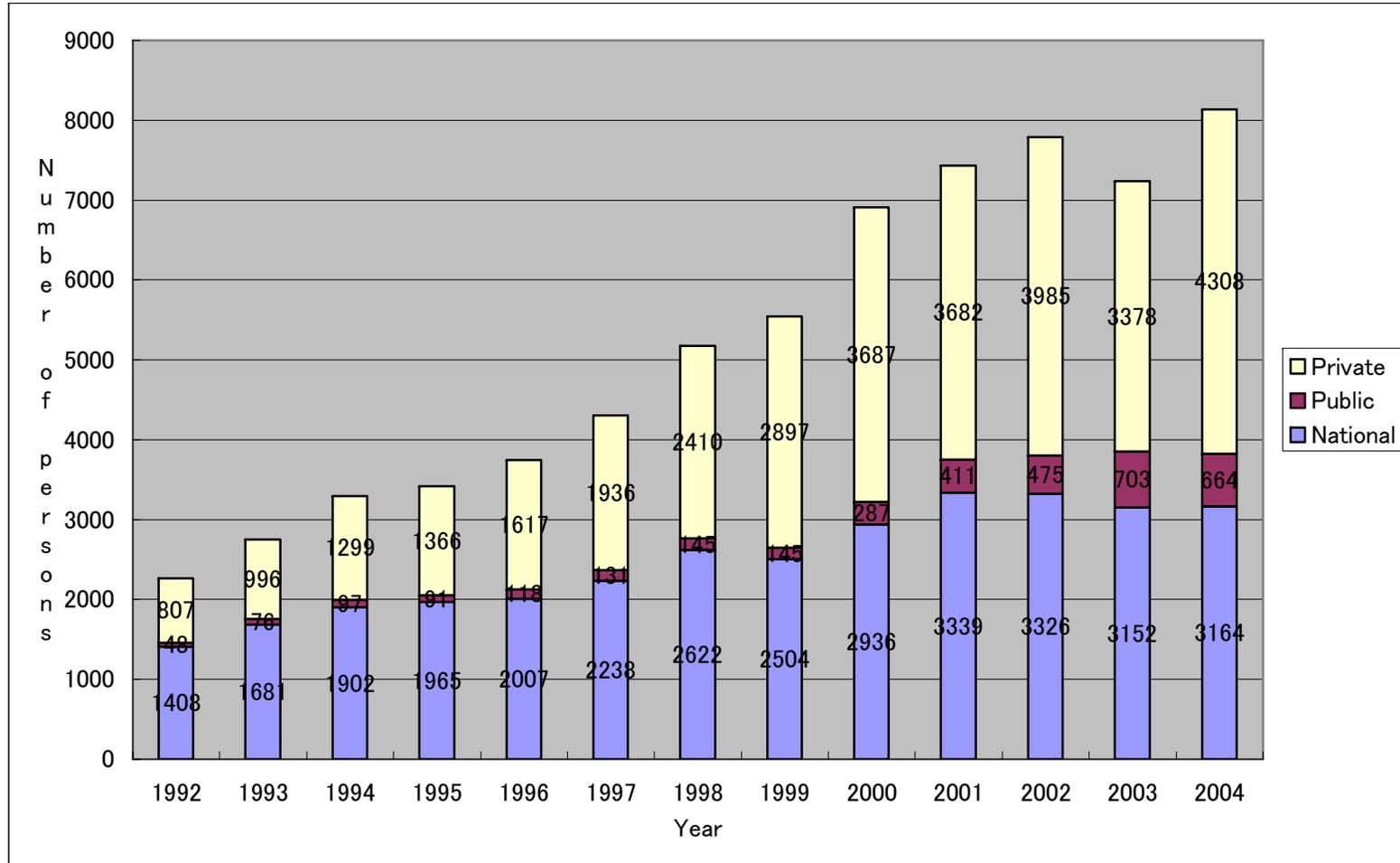


Figure 1.3 Change in the number of adult students enrolling in graduate school doctorate courses

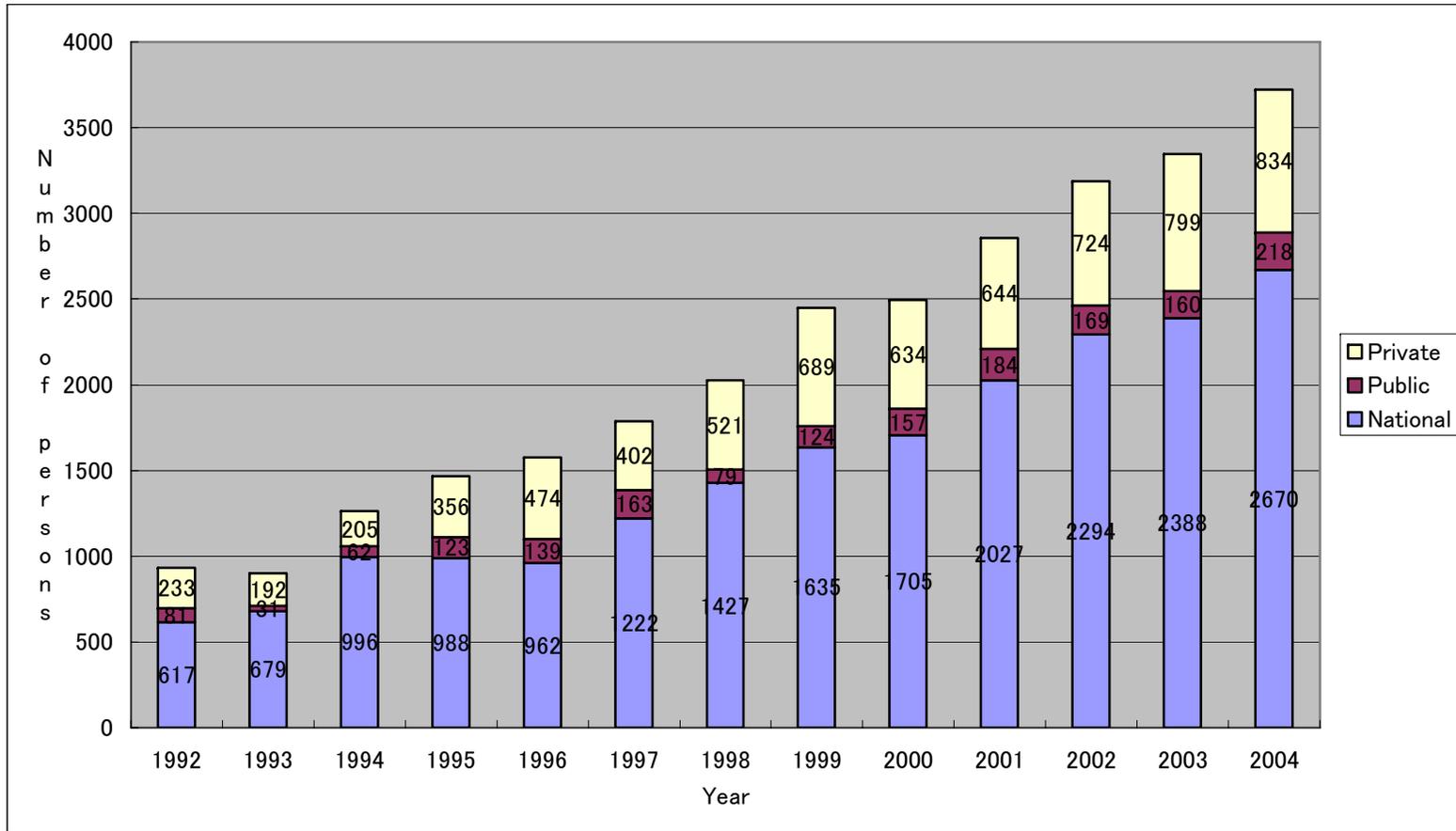


Table 1.1 MBA subjects taught at the world's top business schools

| ranking | | Strateg y Corporate strategy | Organization / personnel | | Various occupational fields | | | | | | Peripheral areas | | | Methodology | | |
|---------|--|---------------------------------------|-----------------------------|-----|-----------------------------|-------|------------|-------------------|---------|----|--------------------|---|---|---------------------|---|-------------------------|
| | | | OB | HRM | Operations Mgt | Mking | Fin acc | Managerial acc | Finance | IT | Macro economics | Micro economics (managerial economics) | Business & Government (politics) | Corporate ethics | analysis (statistics, decision analysis, | Qualitative analysis |
| 1 | Harvard Business School | 1 | 1 | 0 | 1 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 1 | 1 | 0 | 0 |
| 1 | The Wharton School of the University of Pennsylvania | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 0 | 1 | 1 | 1 | 1 | 1 | 1 |
| 3 | Columbia Business School | 1 | 1 | 0 | 1 | 1 | 1 | 1 | 1 | 0 | 1 | 1 | 0 | 1 | 1 | 0 |
| 4 | Stanford Graduate School of Business | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 0 | 0 | 1 | 0 | 1 | 1 | 0 |
| 5 | University of London | 1 | 1 | 0 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 0 | 1 | 1 | 0 |
| 6 | Chicago GSB | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 1 | 0 |
| 7 | Tuck School of Business at Dartmouth College | 1 | 1 | 0 | 1 | 1 | 1 | 0 | 1 | 1 | 1 | 1 | 0 | 0 | 1 | 0 |
| 8 | Insead | 1 | 1 | 0 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 0 | 1 | 0 |
| 9 | New York University:Stern | 1 | 1 | 0 | 1 | 1 | 1 | 0 | 1 | 0 | 1 | 1 | 0 | 1 | 1 | 0 |
| 9 | Yale School of Business | 1 | 0 | 0 | 1 | 1 | 1 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 1 | 0 |

| | | | | | | | | | | | | | | | | |
|--------|--|-----|----|----|----|-----|-----|----|-----|----|----|----|----|----|----|----|
| 1 1 | Northwestern University: Kellogg School of Management | 1 | 1 | 0 | 1 | 1 | 0 | 0 | 1 | 0 | 0 | 1 | 0 | 0 | 1 | 0 |
| 1 2 | Iese Business School | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 0 | 1 | 0 | 0 | 0 | 1 | 0 |
| 1 3 | IMD | 1 | 1 | 0 | 1 | 1 | 1 | 0 | 1 | 1 | 1 | 1 | 1 | 0 | 0 | 0 |
| 1 3 | MIT Sloan | 0 | 0 | 0 | 0 | 1 | 1 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 1 | 0 |
| 1 3 | UC Berkeley: Haas School of Business | 1 | 1 | 0 | 1 | 1 | 1 | 0 | 1 | 0 | 1 | 0 | 0 | 1 | 1 | 0 |
| 1 6 | University of Michigan: Ross School of Business | 1 | 1 | 0 | 1 | 1 | 1 | 1 | 1 | 0 | 1 | 1 | 0 | 1 | 1 | 0 |
| 1 7 | The University of North Carolina at Chapel Hill: Kenan-Flagler Business School | 1 | 0 | 0 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 0 | 1 | 1 | 0 |
| 1 8 | Duke University :The Fuqua School of Business | 1 | 0 | 0 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 0 | 0 | 1 | 0 |
| 1 9 | Instituto de Empresa | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 0 | 0 | 1 | 0 | 1 | 0 |
| 2 0 | The University of Virginia: Darden School of Business | 1 | 1 | 0 | 1 | 1 | 1 | 0 | 1 | 0 | 1 | 0 | 0 | 1 | 1 | 0 |
| | Percentage of schools offering the subject(%) | 100 | 85 | 70 | 95 | 100 | 100 | 70 | 100 | 80 | 95 | 85 | 50 | 70 | 95 | 25 |

Table 1.2 MBA subjects taught at Japanese business schools

| Name of university | Strategy | Organization / personnel | | Various occupational fields | | | | | | Peripheral areas | | | | Methodology | |
|--|---------------------|--------------------------|-----|-----------------------------|-----|----------------------|-----------------------|---------|----|------------------|----------------|-----------------------|------------------|--------------------------|-------------------------|
| | Management strategy | OB | HRM | OM | Mkg | Financial accounting | Management accounting | Finance | IT | Macroeconomics | Microeconomics | Government / politics | Corporate ethics | Quantitative methodology | Qualitative methodology |
| Otaru University of Commerce Graduate School | 1 | 0 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 0 | 0 | 0 | 1 | 1 | 1 |
| Hitotsubashi University Graduate School (International Corporate Strategy) | 1 | 1 | 0 | 0 | 1 | 1 | 0 | 1 | 1 | 0 | 1 | 1 | 0 | 1 | 1 |
| University of Tsukuba Graduate School | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 0 | 0 | 0 | 0 | 1 | 0 |
| Kobe University Graduate School | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 0 | 1 | 0 | 0 | 1 | 1 |
| Kagawa University Graduate School | 1 | 1 | 0 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 0 | 0 | 1 | 0 |
| Kyushu | 1 | 1 | 1 | 0 | 1 | 1 | 1 | 1 | 1 | 0 | 0 | 0 | 1 | 0 | 0 |

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| University Graduate School | | | | | | | | | | | | | | | |
| Aoyama Gakuin University Graduate School | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 0 | 1 | 1 | 0 |
| Waseda University Graduate School of Asia-Pacific Studies | 1 | 0 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 0 | 1 | 1 | 1 | 0 |
| Hosei University Graduate School | 1 | 0 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 0 | 0 | 1 | 0 | 0 |
| Meiji University Graduate School | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 0 | 1 | 0 | 0 |
| Doshisha University Graduate School | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | 1 | 1 | 0 | 1 | 1 |
| Kwansei Gakuin University Graduate School | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | 1 | 1 | 0 | 1 | 1 |
| Kyoto University Graduate School | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 0 | 1 | 1 | 0 |
| Nanzan University Graduate School | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 0 | 0 | 0 | 1 | 1 | 0 |
| Ritsumeikan | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 0 | 0 | 1 | 1 |

| | | | | | | | | | | | | | | | |
|---|-----|----|----|----|-----|-----|----|-----|-----|----|----|----|----|----|----|
| University Graduate School | | | | | | | | | | | | | | | |
| Keio Business School | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 0 |
| Hitotsubashi University Graduate School (Commerce and Management) | 1 | 0 | 1 | 0 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 0 | 0 | 1 | 1 |
| International University of Japan | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 0 | 0 | 1 | 0 |
| Waseda University Graduate School (Commerce) | 1 | 0 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 0 | 0 | 0 | 0 |
| Percentage of schools offering the subject (%) | 100 | 79 | 89 | 84 | 100 | 100 | 95 | 100 | 100 | 68 | 63 | 16 | 58 | 79 | 32 |

Note: "Quantitative methodology" includes the classes of statistics / decision science, modelling, etc.