

Global Human Resource Management Strategy of Japanese Companies

—A case study of Flex Japan Co., Ltd. in Myanmar—

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Abstract

Business activities have been dramatically globalized in recent years, both in quantity and quality throughout the world. Under such conditions, the characteristics of personnel working across country borders are changing. If a company is operating globally, it should have different types of employees who are adaptable to the conditions. In this paper, the author shows one typical aspect of the global human resource management (GHRM) strategy of Japanese companies exemplified by the case of Flex Japan Co., Ltd. Flex Japan is a semi-large company that has a comparatively long history of operation overseas and has recently opened a factory in Myanmar.

1. Introduction

Business activities have been dramatically globalized in recent years, both in quantity and quality throughout the world. It is said that they are proceeding from the localization, internationalization, and multi-nationalization stages to the globalization stage. On the globalization stage, there is little importance in distinguishing between a home country and a host country, and global cooperation of companies belonging to a group is emphasized (Yanagawa [2011], p. 50).

Under such conditions, the characteristics of personnel working across country borders are changing. In the past, the pool of personnel working globally mainly consisted of a comparatively small number of elite officials working for major general trading companies or large manufacturing companies with proficiency in English or different languages. They were mainly home-country nationals. At the present time, however, working globally is not limited to such people, but is undertaken by a huge population that comes from any country, works for companies of any size, with or without proficiency in foreign languages, and that is required a kind of flexibility enabling individuals to work in different cultures.

Japanese companies are not exceptions, of course. They need to have this new type of personnel working globally; however, it is not so easy for them.

In this paper, the author shows one typical aspect of the global human resource management (GHRM) strategy of Japanese companies exemplified by the case of Flex Japan Co., Ltd., which has recently opened a factory in Myanmar. With regard to the company, the author has conducted a field research at White Owl Fashion Co., Ltd., a subsidiary of Flex Japan in Myanmar, as well as at the Tokyo divisional office of Flex Japan (see the note at the end). This paper is based on this field research and a literature survey.

2. Recent trends in globalization of the business activity of Japanese companies

First, let us look through recent trends related to globalization of the business activity of Japanese companies. As of the year 2012, 6,609 Japanese companies had opened foreign subsidiaries. This figure includes 3,950 manufacturing companies and 2,659 non-manufacturing companies (Figure 1). This includes 1,732 large companies, 1,128 semi-large companies, and 3,598 SMEs (Figure 2). If we take manufacturing companies, the share of foreign production as a percentage of production as a whole is 33.7% (Figure 3). There are 23,351 foreign subsidiaries, which consist of 10,425 manufacturing companies and 12,926 non-manufacturing companies (Figure 4). Of the foreign subsidiaries, 3,215 (13.8%) are located in North America, 15,234 (65.2%) are in Asia (33.0% in China, 16.2% in ASEAN4, 11.2% in NIEs3), and 2,834 (12.1%) are in Europe (Figure 5 & 6). In short, we find that companies with foreign subsidiaries are not limited to any industry or any size, that shares of foreign production in manufacturing companies with foreign subsidiaries are quite high, and that foreign subsidiaries are set up mainly in Asia, especially in China.

If we observe changes in the figures mentioned above from 1980 to the present (Figures 1 to 7 & Table 1), the number of companies with foreign subsidiaries has increased five times. The increase is especially remarkable for semi-large companies and SMEs. When we focus on the figures since 1995, we can see that SMEs have increased tenfold. Their share of foreign production has radically increased. The number of foreign subsidiaries has also increased by approximately sevenfold. The share of foreign subsidiaries in North America has gone down from 23.1% to 13.8% and the share in Europe from 14.0% to 12.1%, while the share in Asia has increased from 41.4% to 65.2%. The share in China has grown especially dramatically from 1.9% (1990) to 33.0%. This means that Japanese companies are facing a new stage of globalization as are other countries.

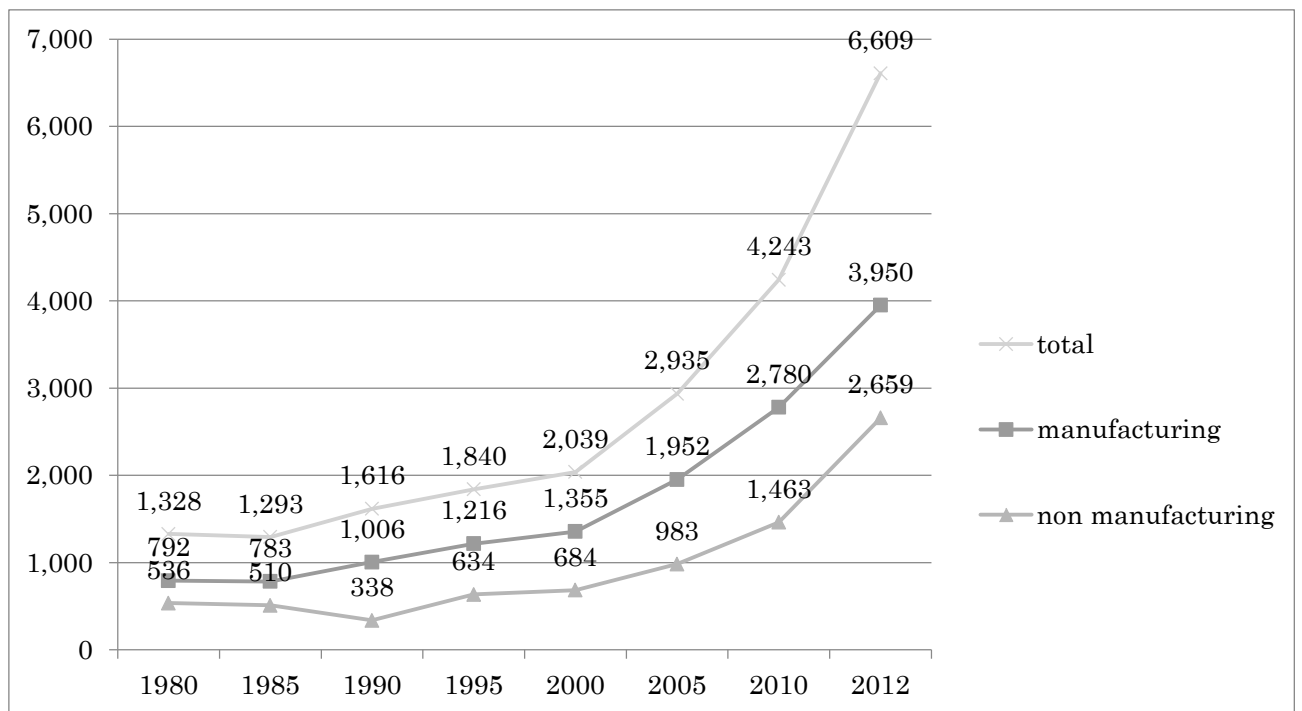
In this paper, we take the example of Flex Japan Co., Ltd., a company that designs, manufactures, and sells men's shirts. Its headquarters is located in Nagano Prefecture, Japan, far away from megalopolises such as Tokyo. This company is not yet listed on the stock market. It has capital of approximately 3 million dollars, 414 employees, and approximately 100 million dollars in yearly sales revenue.

It was set up in 1940 as a textile company, started to manufacture and sell men's

shirts in 1952, and launched foreign production in 1970 when it made an alliance with a Korean company to manufacture products for Flex Japan. It established a factory in Amakusa, a small Japanese town, in 1984. Flex Japan set up an international joint venture in Indonesia in 1988 and another international joint venture in China in 1990 (<http://www.flexjapan.co.jp>).

While the amounts of products manufactured in Japan and overseas were almost the same as early as 1992, at the present time, 98% is produced overseas (<http://www.flexjapan.co.jp>), half from overseas subsidiaries and the other half from outsourcing abroad (Figure 8). Overseas production has increased as price competition in the apparel industry has increased. Domestic production has been reduced, and the production in China reached 60% of the total production in 2005. However, labor costs in China gradually increased, and Flex Japan tried to look for more favorable locations for production. The company started outsourcing to a state-owned factory in Myanmar in 2000. The factory was reformed into a joint venture, named White Owl Fashion Co., Ltd. in 2006, and transformed into a subsidiary totally owned by Flex Japan in 2012.

Figure 1 Number of companies with foreign subsidiaries (by industries)



(Sources) METI, Waga Kuni Kigyo no Kaigai Jigyo Katsudo, various years; METI, Kaigai Toshi Tokei Soran, various years; Recent figures: <http://www.meti.go.jp/statistics/tyo/kaigaizi/>.

Table 1 Number of companies with foreign subsidiaries (by amount of capital)

Amount of capital (Japanese Yen)\Year	1980	1985	1990	1995	2000	2005	2010	2012
More than 1 billion	443	607	795	946	1,155	1,485	1,604	1,732
Up to 1 billion	367	335	381	431	267	497	692	874
Up to 300 million					170	263	428	551
Up to 100 million	165	351	440	463	248	382	881	1,408
Up to 50 million	353				199	308	638	1896
Total	1,328	1,293	1,616	1840	2,039	2,935	4,243	6,461

(1) Definition of a large company is as follows. Agriculture, Forest, Fishery, Steel, Manufacturing, and others (except service): amount of capital is more than 100 million yen; Wholesale: 30 million yen; Retail and service: more than 10 million yen.

(2) #A large company: more than one billion yen.

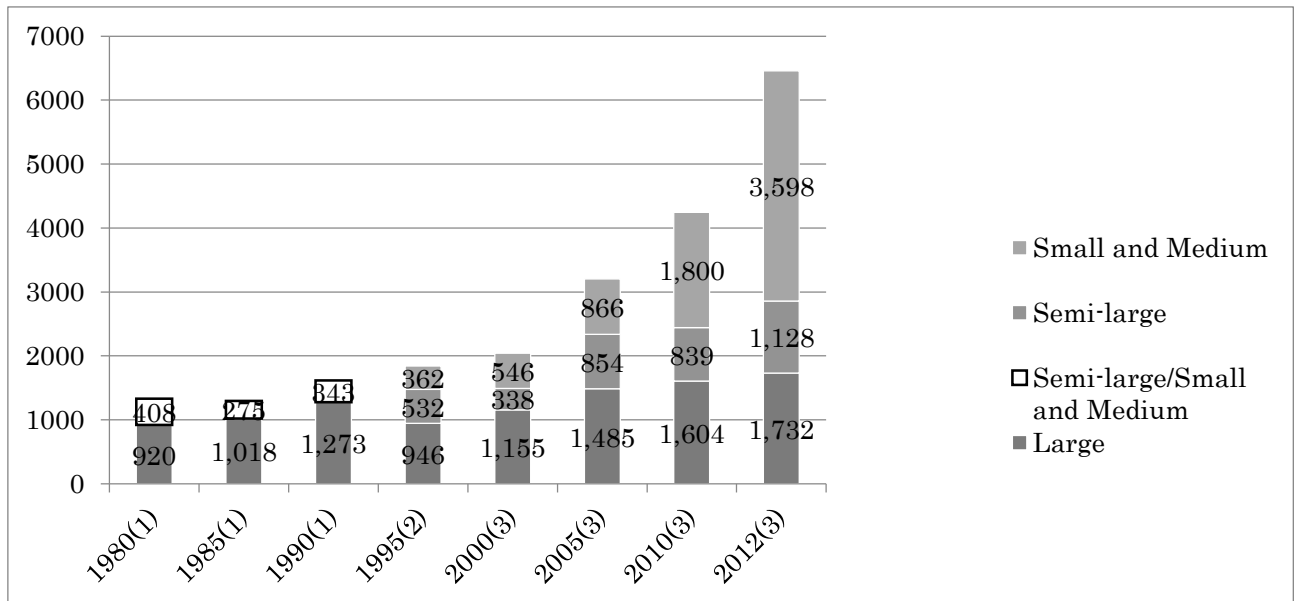
#Definition of a semi-large company is as follows. Manufacturing, Agriculture, Forest, Fishery, Mining, Construction, and others: amount of capital is more than 100 million to 1 billion yen; Wholesale: 30 million to 1 billion yen; Retail and service: 10 million to 1 billion yen.

(3) #A large company: more than one billion yen.

#Definition of a semi-large company is as follows. Manufacturing, Agriculture, Forest, Fishery, Mining, Construction, and others: amount of capital is more than 300 million to 1 billion yen; Wholesale: 100 million to 1 billion yen; Retail and service: 50 million to 1 billion yen.

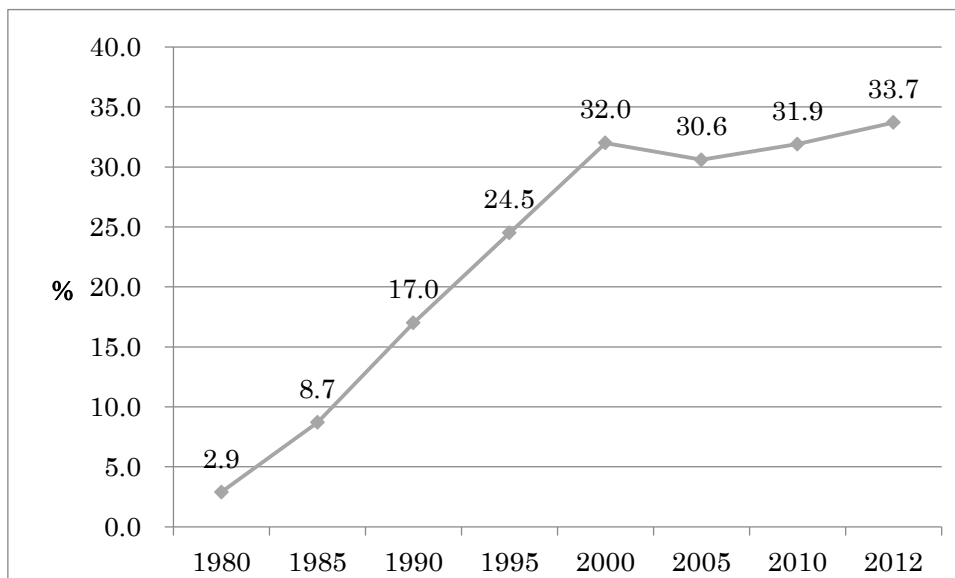
(Sources) METI, Waga Kuni Kigyo no Kaigai Jigyo Katsudo, various years; METI, Kaigai Toshi Tokei Soran, various years; Recent figures: <http://www.meti.go.jp/statistics/tyo/kaigaizi/>.

Figure 2 Number of companies with foreign subsidiaries (by size)



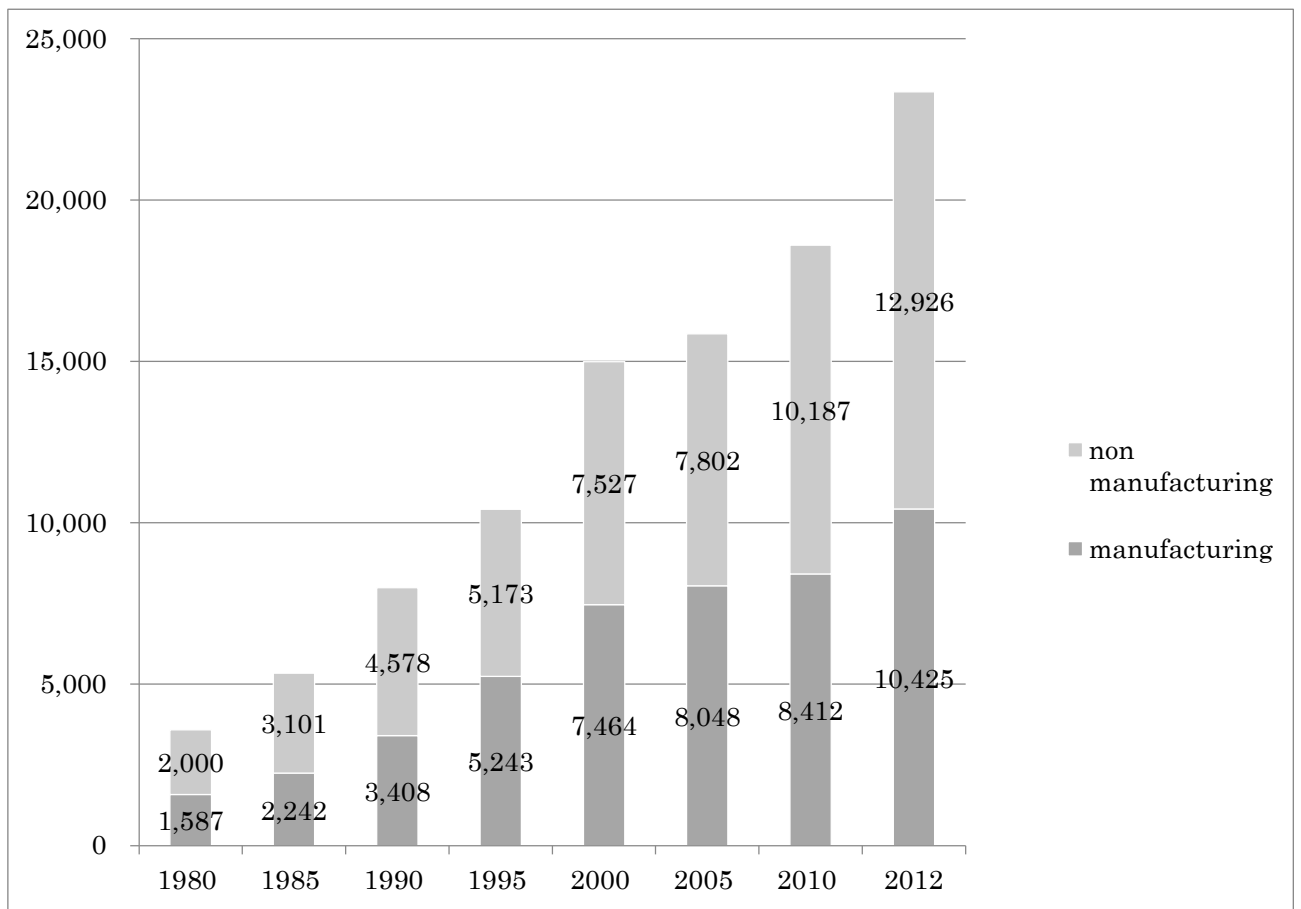
(Sources) Made from Table 1.

Figure 3 Share of foreign production in companies (manufacturing industry) with foreign subsidiaries (%)



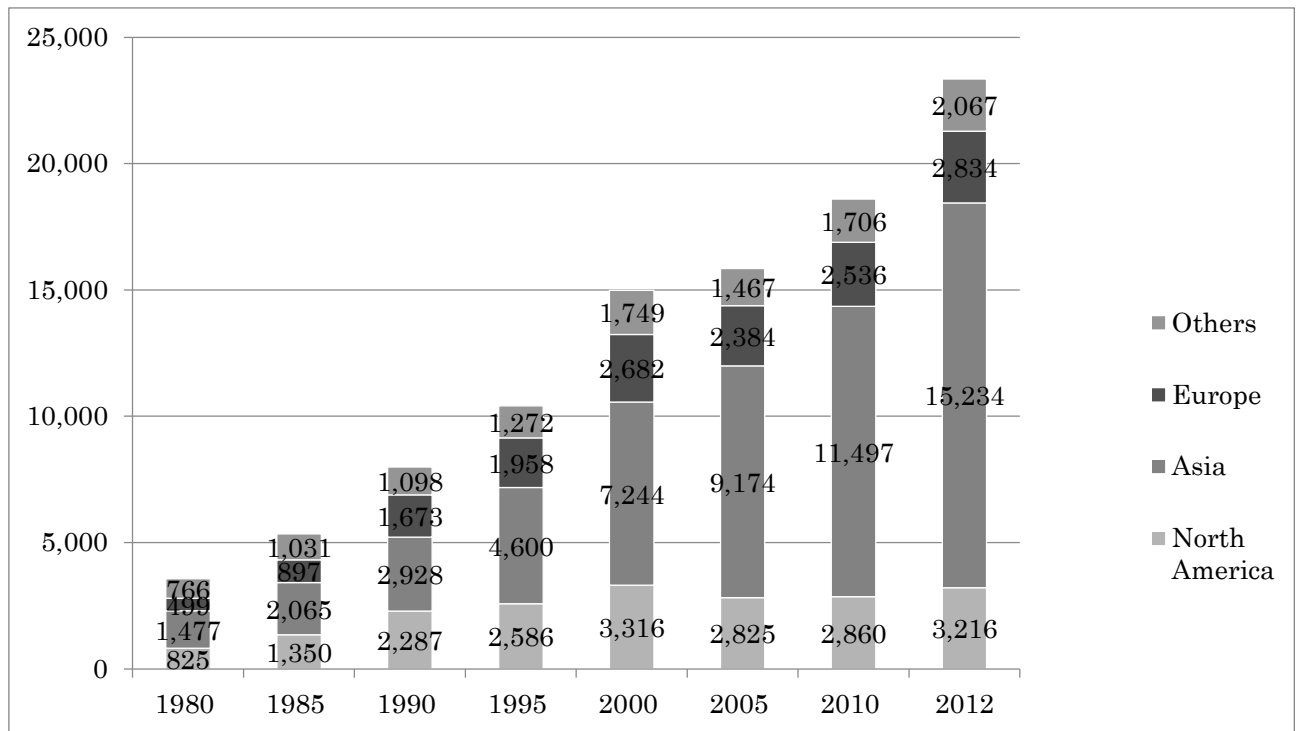
(Sources) METI, Waga Kuni Kigyo no Kaigai Jigyo Katsudo, various years; METI, Kaigai Toshi Tokei Soran, various years; Recent figures: <http://www.meti.go.jp/statistics/tyo/kaigaizi/>.

Figure 4 Foreign subsidiaries (by industries)



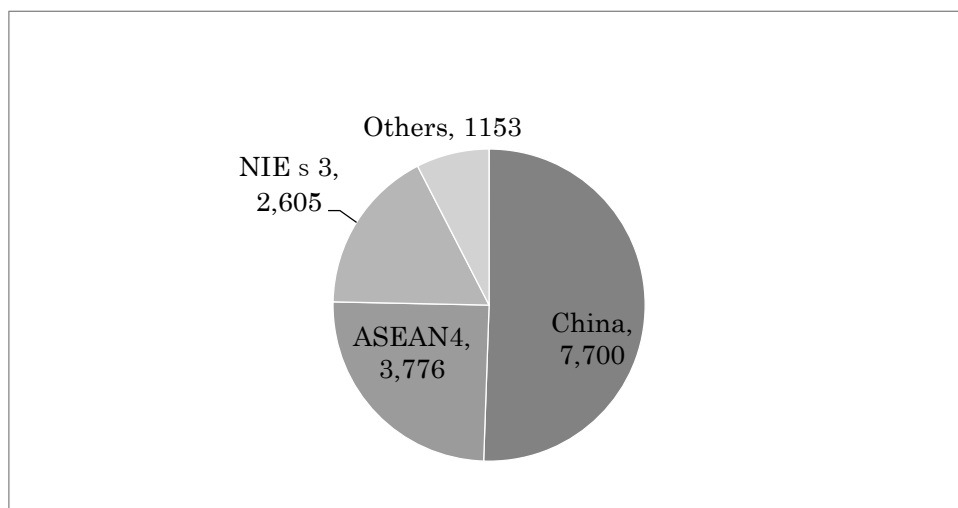
(Sources) METI, Waga Kuni Kigyo no Kaigai Jigyo Katsudo, various years; METI, Kaigai Toshi Tokei Soran, various years; Recent figures: <http://www.meti.go.jp/statistics/tyo/kaigaizi/>.

Figure 5 Foreign subsidiaries (by regions)



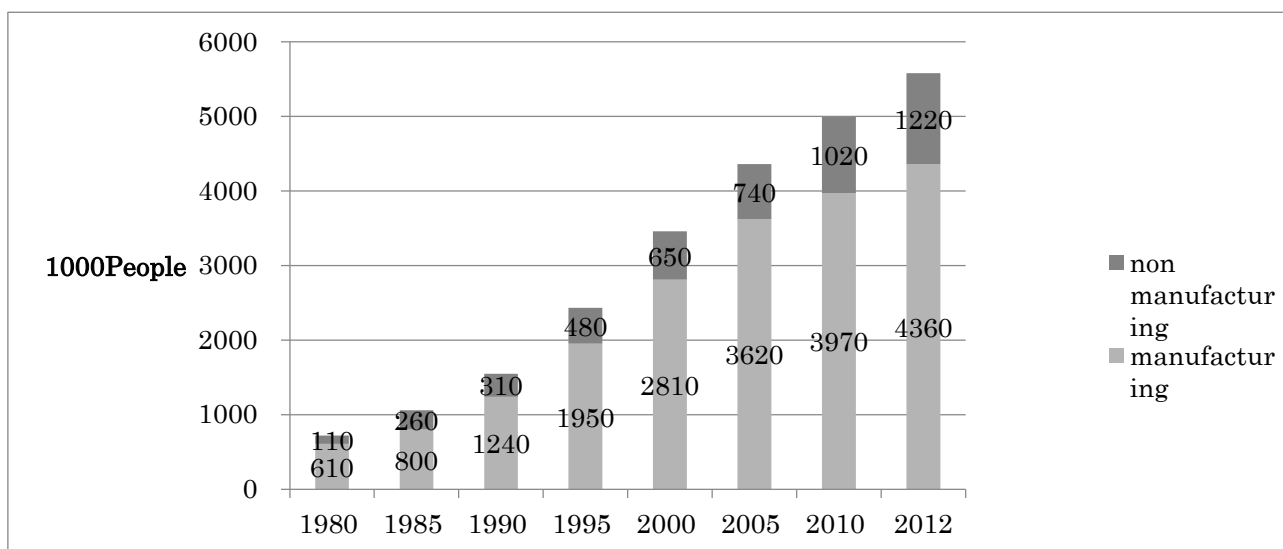
(Sources) METI, Waga Kuni Kigyo no Kaigai Jigyo Katsudo, various years; METI, Kaigai Toshi Tokei Soran, various years; Recent figures: <http://www.meti.go.jp/statistics/tyo/kaigaizi/>.

Figure 6 Foreign subsidiaries in Asia in 2012



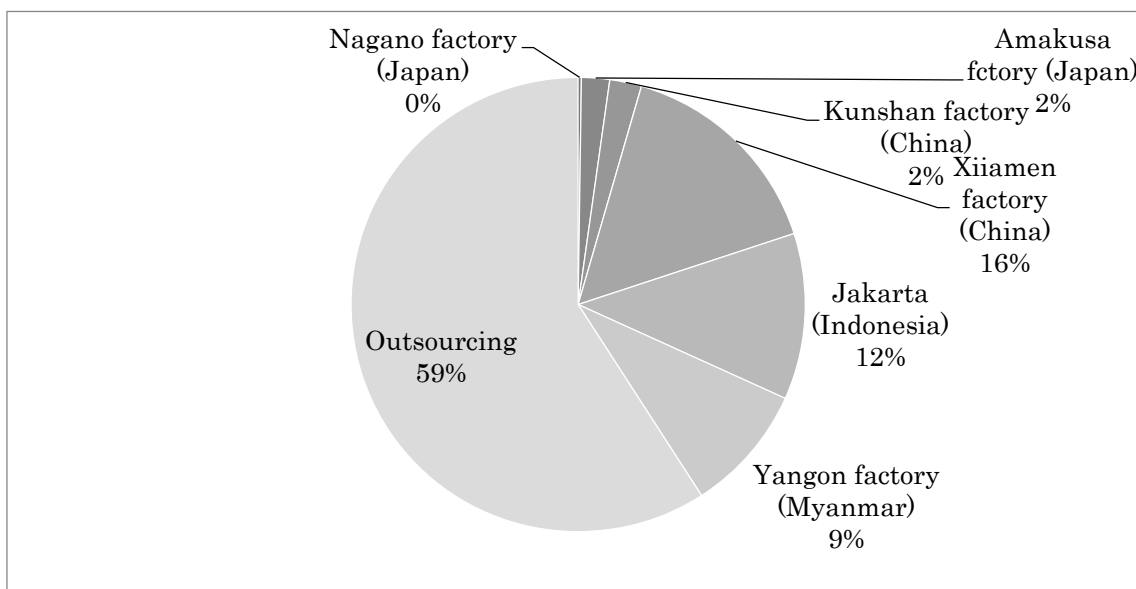
(Sources) METI, Waga Kuni Kigyo no Kaigai Jigyo Katsudo, various years; METI, Kaigai Toshi Tokei Soran, various years; Recent figures: <http://www.meti.go.jp/statistics/tyo/kaigaizi/>.

Figure 7 Employees in foreign subsidiaries (1000 people)



(Sources) METI, Waga Kuni Kigyo no Kaigai Jigyo Katsudo, various years; METI, Kaigai Toshi Tokei Soran, various years; Recent figures: <http://www.meti.go.jp/statistics/tyo/kaigaizi/>.

Figure 8 Annual Production of men's shirts by Flex Japan Co., Ltd. in 2013



(Source) Field research at Flex Japan Co., Ltd. in 2013 and further information provided by Mr. K. in 2014.

3. A brief history and the current situation in Myanmar

Myanmar is a country with a territory of 680,000 square km (1.8 times larger than Japan), a population of 61,120,000, and a GDP per capita of 835 US dollars (JETRO, *Sekai Toshi Hokoku*, 2013).

Myanmar was incorporated into India under the control of the British Empire in 1886 and became independent at the start of 1948. General Ne Win from the national army seized power in a coup in 1962 and established a regime called the “Burmese Way to Socialism.” Under the regime, major industries (finance, trade, and rice milling) were nationalized; farmland that had been owned by a group of Indian moneylenders (*Chettiars* from South India) was returned to local farmers and, later, nationalized. The government tried to establish an inward-looking economic regime to free people from exploitation by foreign capitalists. The government forced farmers to render their rice crop to the state at low prices, distributing some of the rice to the urban population and exporting the rest to other countries. The government tried to make use of the profit raised by exporting rice to develop domestic industries; however, they were unsuccessful. Agricultural production became stagnant, and modern industries failed to develop. Then, the military government transferred power to the civilian Socialist Planning Party in 1974. The constitution adopted a single-party system, in which the party had the legal right to control the country (Fujita [2005]).

A big demonstration movement asking for democracy appeared across the country in 1988. The national army oppressed it and organized the State Law and Order Restoration Council (SLORC), which held state power (SLORC was reformed to become the State Peace and Development Council (SPDC) in 1997). In 1990, a general election was held, and the National League for Democracy (NLD), led by Aung San Suu Kyi, won an overwhelming majority of votes. The SLORC government, however, did not relinquish power to the NLD. The government placed Suu Kyi under house arrest, so Suu Kyi harshly criticized the government. The international society condemned the government as undemocratic (Fujita [2005]).

While the political situation did not improve, the economy has started to liberalize since 1988. The SLORC abandoned socialist policies and began transitioning to a market economy, opening the economy of Myanmar. This allowed people to set up private enterprises and enabled companies to engage in foreign trade. The Foreign Investment Law was introduced in 1988. The impact was especially remarkable in the apparel industry. Many factories were set up to engage in the CMP (Cutting, Making, and Packing) business, in which foreign manufacturers ordered manufactured products from local companies, making use of the cheap labor in Myanmar. In this way, sewn products came to account for the largest portion (32%) of Myanmar’s exports in 1999 and 2000; traditionally, agricultural products had been Myanmar’s largest export. Since roughly 2005, FDI has reoriented to natural resources, which has now become the largest export category (JETRO [2008]). Nevertheless, the unpredictability of policy changes and political interference with the market

(e.g., multiple foreign exchange rates and economic sanctions by the USA and the EU since 2003) have hindered Myanmar’s transition to a market economy (Nishizawa [2005]).

In 2010, a general election was again held, and Ms. Suu Kyi was freed. In 2011, the parliament convened and elected Mr. Thein Sein president of Myanmar. Mr. Thein Sein was a military officer who left the army when he was elected president. This resulted in the USA’s lifting of economic sanctions in 2012, and the EU followed suit in 2013 (JETRO [2012, 2013]). As a result, the amount of FDI in Myanmar has increased remarkably (ADB [2012], p. 32). As for 2012, Myanmar’s main exports were natural resources (40.8%), beans (10.7%), sewn goods (7.7%), and rice (6.1%), while the main import products were general transport machines (29.2%), oil and petrol products (17.6%), and non-precious metals and copper products (11.3%) (JETRO [2013]).

Myanmar is now called “the last frontier” of Asia (*Nippon Keizai Shimbun*, April 23, 2014). As a “frontier,” it has specific strengths, constraints, opportunities, and risks (Table 2).

Table 2 Strengths, constraints, opportunities, and risks of Myanmar

Strengths	Constraints
<ol style="list-style-type: none"> 1. Strong commitment to reform 2. Large youth population, providing a low-cost labor force attractive to foreign investment 3. Rich supply of natural resources -land, water, gas, minerals 4. Abundant agricultural resources to be exploited for productivity improvement 5. Tourism potential 	<ol style="list-style-type: none"> 1. Weak macroeconomic management and lack of experience with market mechanisms 2. Limited fiscal resource mobilization 3. Underdeveloped financial sector 4. Inadequate infrastructure, particularly in transport, electricity access, and tele-communications 5. Low education and health achievement 6. Limited economic diversification
Opportunities	Risks
<ol style="list-style-type: none"> 1. Strategic location 2. Potential of renewable energy 3. Potential for investment in a range of sectors 	<ol style="list-style-type: none"> 1. Risks from economic reform and liberalization 2. Risks from climate change 3. Pollution from economic activities 4. Tension from internal ethnic conflicts

Source: ADB [2012], p. 15.

4. Japanese companies' entry into Myanmar

The first two direct investment projects by Japanese companies in Myanmar started in 2001. Only ten years later, new Japanese investments were made. Two investment projects in the sewing industry were admitted in 2011, and 11 projects were admitted in 2012. Most of these investments were made in labor-intensive industries such as sewing and making shoes; however, a pharmaceutical factory for Myanmar's market was also constructed (JETRO [2013]). A new project, Thilawa Industrial Park, is also currently under development. This joint Japan-Myanmar project will establish the first modern and well-equipped industrial estate in Myanmar. Public and private organizations in Japan and Myanmar have made investments there (*Nippon Keizai Shimbun*, April 23, 2014).

Japanese companies have focused their attention on one of Myanmar's great strengths: its large youth population. Myanmar's current population breakdown shows that 40% of the population is 15–28 years old while 25% is less than 14 years old. The adult literacy rate is 92.2% (2011) (ADB, *Myanmar in Transition*, 2012, pp. 2, 16). This population breakdown is very attractive to labor-intensive industries. Recently, Japanese companies have begun to pay attention to the potential need for investment in the infrastructure as a prospective opportunity. On the other hand, there are “weaknesses,” such as an underdeveloped market mechanism and a lack of infrastructure, including electricity, which limits the possible economic activity of foreign directors. Besides, the political situation is still unstable, another type of “threat” (ADB, *Myanmar in Transition*, 2012).

Flex Japan Co., Ltd., as indicated earlier, had started to order a Myanmar CMP factory as early as 2000, before other Japanese companies appeared there. At that time, the government of Myanmar had adopted a multi-rate forex system, and foreign companies were greatly influenced when the government raised or lowered rates (Nishizawa [2005]). When the USA and the EU lifted their economic sanctions of Myanmar, Flex Japan established White Owl Fashion Co., Ltd. (White Owl), together with a partner from Myanmar in 2006. Later, the new Foreign Investment Law was enacted to allow 100% foreign subsidiaries; thus, Flex Japan made White Owl its 100% subsidiary in October of 2012.

Here is an overview of White Owl, which is located in the Pyi Thar Industrial Zone in North Yangon. Mr. Kurasaki is the CEO of White Owl and a director of Flex Japan (in charge of production). He usually lives in Japan and sometimes visits White Owl. Mr. Minoru Nishimoto is the factory manager (a Japanese male sent by Flex Japan) and lives in Yangon. The territory is 7,200 square meters and the floor is 5,000 square meters. White Owl employs 427 (6 office workers, 392 technicians, 6 security guards, 12 dormitory administrators, and 10 others) and has 300 sewing machines, 110 special sewing machines, 15 irons, and 60 press machines. Men's dress shirts and ladies' blouses are produced. White Owl produces 3,600 units per day, 90,000 units per month, and one million units per year. The factory is composed of 3 production lines. Each line of technicians works with bundles. A bundle usually consists of 100 units.

According to our research, the present business condition of White Owl is as follows.

The apparel industry is basically a labor-intensive industry; however, recently they have needed to emphasize high quality, low prices, and small batches in order to be competitive.

Low wages in Myanmar are favorable, of course.

The government of Myanmar is strongly committed to accepting foreign direct investment and has set up the Myanmar Investment Committee (MIC) to promote FDI.

However, the market mechanism has not been fully established, and political conditions are still unstable in Myanmar. Therefore, it is necessary for White Owl to gather information quickly; for that purpose, they make use of their connections with Korean companies, especially Daewoo Myanmar, and Universal Apparel, which are White Owl's business partners. Korean companies are able to collect useful information quickly and effectively because there are more Korean than Japanese companies in Myanmar.

White Owl has difficulty in ensuring an adequate electricity supply. They have their own generator in the factory, but it is expensive to operate.

White Owl is one of the main factories of Flex Japan; however, labor costs in Myanmar are now increasing, and the leadership of Flex Japan thinks that the company should disperse production among different countries to avoid any risks. Therefore, the company has already started to look for another location suitable for manufacturing their products.

White Owl receives models and instructions regarding products from the main factory in Japan, imports materials (textiles) from China by ship, manufactures the products, and exports all of the goods produced to Japan.

Management of production and human resources is essential for ensuring high quality, low prices, and small batches. The conditions of production management and HRM are as follows.

Young employees are recruited in Myanmar's rural areas because people in big cities tend to leave their workplaces easily. They work as seamstresses and mechanics. When the business first started, workers were recruited through local agents. Now, however, new workers are recruited through the workers currently employed at White Owl, and excellent employees are selected. There are always young people waiting in their home villages for an opportunity to work at White Owl. Parents usually decide where their children should work.

It takes about one year for a seamstress to obtain adequate sewing skill. A worker's individual wage is decided based on his or her performance. The average wage is about 100–110 US dollars per month.

When freshmen first come to the factory, they learn a Japanese song, "The Only Flower in the World," which is very popular among young people in Japan, and Japanese style of morning exercises.

They hold morning meetings, bringing all the people in the factory together once a

week and bringing people of each group together every day.

The role played by a group leader is considered to be very important. Therefore, group leaders wear pink uniforms, sub-leaders wear navy blue, and regular workers wear light blue so that it is easy to recognize the leaders and sub-leaders. Leaders decide who should be sub-leaders, when overtime work is needed to keep delivery on time, and so on. Some group leaders have led a few strikes in this factory as well.

A factory manager plays a very important role. The present factory manager, Mr. Nishimoto., analyzes the work process for each product, divides the process into several stages, and assigns each task to a group. He pays a careful attention to the workers, evaluating the performance of individual workers and assigning additional tasks to various skilled workers. He says, "I love my workers as much as I love my children."

Although currently there are not so many multi-skilled workers in White Owl as in Japanese factories, they are trying to develop such workers. For that purpose, one extra sewing machine is given to each work group.

The warm season in Myanmar is very hot. The factory is equipped only with fans, not air conditioners, which is the normal condition in this country.

White Owl has a dormitory where all the workers live. Female workers leave the factory when they get married. At the present time, 4 married female workers commute to work from home. Because they are excellent workers, exceptions have been made for them. A birthday party for employees is held each month, and an employee trip is scheduled each year. The destination of the trip is 8 hours away from Yangon by bus.

There is no trade union, nor minimum wage system, nor workers' accident compensation insurance system. There are few cases of accidents in this factory. They do have a state pension system.

The labor turnover rate is decreasing, and only two or three workers leave the workplace each month.

5. The global human resource management strategy of Japanese companies

With the globalization of business, how to recruit, train, and treat global human resources (people working across borders) have become increasingly more serious management problems.

Let us review the current situation of the GHRM strategy of Japanese companies through the result of a GHRM survey in 2011 conducted by Recruit Management Solutions Co., Ltd.¹ This survey was conducted among large companies with more than 1000 employees.

1) Problems faced by companies regarding GHRM

¹ <http://www.recruit-ms.co.jp/research/inquiry/in111221.html>

Problems faced by headquarters: improvement of global literacy of Japanese employees; selection and development of employees with foreign assignments; optimal staffing in the world as a whole; global standardization of HRM.

Problems faced by subsidiaries: development of local managers; recruiting and retention of local staff.

2) Current conditions of employees working globally

Required skills: basic business skills; diversity management potential; language skills; interest in the outer world.

Required group of employees: especially division managers.

3) Current measures of GHRM: English education for Japanese employees; recruiting and employment of foreign young people; development of Japanese global leaders; sharing of global common management ideas and values; development of multicultural communication skills.

4) HRM in overseas subsidiaries: subsidiaries in China are the most important; an increasing ratio of local managers among all managers; delegation of HRM decision making from headquarters to subsidiaries; local staff moves across country borders.

Going back to the case of White Owl, we can find 4 employees working across borders. Mr. N., the factory manager, has been working abroad for many years for Flex Japan. After working in the Jakarta factory for 10 years, he was engaged in setting up the factory in Yangon in 2006, continuing to work there in charge of general management and production management. Two Japanese engineers who answered our questions at White Owl have been sent there from the Amakusa factory to work in charge of quality control for 2 months (after 2 months, another two Japanese engineers should go there to take their places). The last international worker is a person from Myanmar who sometimes makes business trips to Japan.

When the factory in Yangon was established, quite a few female technicians from Japanese factories were sent there to instruct the local workers. A group of 6 technicians was sent there for two months, and that was repeated 4 or 5 times. Members of this group had very few foreign language skills, and carried notebooks with a short list of words necessary for instructing the local workers how to do the job. They experienced no difficulties in Myanmar.

The two engineers we interviewed were going to work at White Owl for two months. Such a system, of 2 workers working for two months, was started in 2012. Formerly, Flex Japan had sent their employees abroad for longer periods; however, they currently try to send more employees for shorter periods.

As we have seen, the factory manager is in charge of general management and production management; he also pays careful attention to individual workers. He is quite excellent, but he cannot manage without the help of the 2 Japanese engineers. They can instruct young local workers based on their considerable experience and skills learned in the Japanese factory and help the general manager very well.

These engineers generally feel that they manage well in Yangon if they stay only for

two months, although staying in Yangon is not so easy for them. And they also think it effective to work in Yangon and Amakusa every two months, because they can understand situation of both factories. They do not need high levels of language skill, requiring only a minimal level of English. A translator helps them when necessary. White Owl provides apartments for the engineers in a building located in the city center. There is a nice shopping mall on the first floor of the building. They do not feel any special difficulty.

The person from Myanmar who was employed by Flex Japan has worked for three years. When he was young, he went to study at a university in Nagano, where the headquarters Flex Japan are located. After graduating from the university, he started working for Flex Japan. According to Mr. Kurasaki, he is able to work as a translator and do paperwork, although he has not been able to work as a manager. However, Mr. K expects him to become a manager in the future.

6. Conclusion

As we have seen, although Flex Japan is not a large company, it started to develop its global business earlier than other Japanese companies, partly because of the characteristics of the industry it belongs to. It is ready to move to yet other locations, looking for better places for production. In this company, not only a few number of elites but also many ordinary workers are expected to work abroad. White Owl is operated by the factory manager, who has been working abroad for many years and controls the factory, and by many young engineers who have been sent for a short time, such as two months, to support the factory manager. Additionally, a local employee, who graduated from a Japanese university, works as a bridge between Japanese and local employees. Thanks to him, the language ability of the Japanese engineers does not matter so much. In this way, it is important for a company with a foreign production rate nearing 98% to establish conditions where anyone can work abroad.

Since the quality of life is quite good, and people are accustomed to a comparatively homogeneous culture in Japan, many Japanese people prefer not to work overseas. If they are sent abroad to work, some of them have difficulty adapting to conditions there. According to a survey conducted by an institute in Japan in 2013, 58.3% of young people who have just started working at business companies do not want to work abroad. This figure has been steadily growing since 2001, when the figure was 29.2%.² However, companies need more and more employees to work globally because business activity is becoming more and more global.

Though the global human resource management of Flex Japan seems to be successful, Mr. Kurasaki admitted that global human resource management is difficult. Flex Japan is presently quite successful after a long history of struggling to conduct business overseas; however, management is still learning by trial and error. We will describe their

² <http://www.sanno.ac.jp/research/pdf/global2013.pdf>

trials and errors in another paper.

Field research

1) White Owl Fashion Co., Ltd. on August 22, 2013. White Owl is a subsidiary of Flex Japan Co., Ltd. in Yangon, Myanmar. This study was done as part of a study tour organized by the Association for the Study of Industrial Management (Japan). It includes an interview with Mr. M and Mr. O, staff in the production division sent from the Amakusa factory in Japan.

2) The Tokyo division office of Flex Japan Co., Ltd. on October 9, 2013. The author and Moe Takahashi, a post-graduate student of the Graduate School of Meiji University, went there to interview Mr. Katsusuke Kurasaki, a director of Flex Japan (in charge of production) and the president of White Owl Fashion Co., Ltd.

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