

Top down and bottom up

The challenge of top down and bottom up

Harmony among people is important. I feel that making use of collective wisdom is possible only when there is harmony among people. As I consider this, I must ask myself exactly how I have been striving for harmony among people. When I do, I realize I have not done enough. Therefore, since I am asking you to do this, I myself must make greater efforts to promote harmony among people, and this year I must reflect deeply on those efforts.

I call on you to ponder whether and how you are making concrete efforts to achieve harmony among people. Consider how you are striving for harmony and whether the results satisfy you. I believe that relatively few people can say they are working hard to promote harmony and succeeding to some extent.

This year, we must deal boldly with major changes, and transform Matsushita Electric into a splendid company that will meet the world's expectations. To achieve this, I believe we must first consider, each from our own perspective, the importance of harmony among people. We must be deeply moved by the fact that it is only by placing harmony at the center of things that collective wisdom can emerge and be utilized.

One question that must be posed when considering the cultivation of harmony and the utilization of collective wisdom, is whether views from above are reaching those below, and views from below are reaching those above. If the views of those whose job is to manage fail to reach the people they are managing, the company will not prosper. A failure of views from below to reach those above is even worse.

What about Matsushita Electric? I believe that so far, views from above have reached those below relatively effectively. However, I also believe this process is gradually becoming less effective. In a sense, this is understandable. As a company grows and accumulates tens of thousands of employees, it becomes increasingly difficult for the views of those at the top to reach into every corner of the organization. Because of this, I believe that as a company grows, how best to ensure that such views are transmitted effectively is a critical issue.

If you are a manager, you must consider whether your ideas and policies are reaching the people in your section, and whether they approve of them. If they do not, why not? You must

discuss this with each of them. "I think we should do this, but do you agree? If not, please tell me why." Your staff may answer, "Your policy has good points and bad. Though I disagree with some points, it would be difficult for me to say so. But since you ask me, I will answer frankly. There are certain flaws, but if you correct them, it will be much easier and more enjoyable for us to do our jobs." And you can answer, "I didn't know that. I had good intentions, but when I consider your position, I see you may be right. I'll think it over."

We must encourage this kind of communication between the president and senior managers, between senior managers and managers, and between managers and staff members.

If a company is able to achieve this, collective wisdom will emerge, accumulate, and play an active role. On the other hand, if a company is confident that simply issuing an order means it will be transmitted throughout the company, they will find they are mistaken. Actions in conflict with the views of those at the top will take place everywhere. Such a company will not prosper.

There are many examples of this in the real world. Look carefully and you will easily find some. If you examine them and consider what I have just said, you will understand how important it is that the views of those above reach into every corner of the company.

How efficiently do views from below reach those above?

A more important question is whether the views of employees are being taken into consideration by the president, and whether they are being listened to. It is more difficult to know if this is taking place. However, I believe that a company that cannot accomplish this will perform even worse than one in which the views of those above do not reach those below.

A company in which the views of those above do not reach those below, and the views of those below fail to reach those above, is a company without a reason to exist. I think it would be better if such pointless companies did not exist. They are a hindrance to society. If the same is true of a nation, that nation is dying. It is a nation in decline. This is a situation that should be prevented.

As I have said, I believe that in Matsushita Electric, the views of those above are reaching those below. However, I also feel that rather than gradually progressing toward an ideal state,

we are moving toward an unfavorable state the more the company expands. It would be wonderful if this were not the case, but we should all take a moment to reflect and humbly ponder whether this tendency is not in fact real.

At the same time, I would not necessarily say that there is an active upward flow of views from below. To make this flow at least a bit more efficient will depend on the attitude we each adopt in our respective positions. As I said, we need to ask ourselves whether we are doing enough. We also must adopt an approach of sounding out our staff regarding their views.

There should be more of an atmosphere within sections, departments, and the company as a whole where employees feel they can speak their minds to those above them without hesitation. I would not say that such sections and departments are entirely absent. However, I feel we are regressing away from, rather than progressing toward, an ideal situation in this respect. This trend is not unexpected, but coping with it will be extremely challenging.

This is a most difficult thing to do. It is impossible with casual effort or simple understanding. Only by grappling with this challenge very seriously can we have a chance of solving it. If we are fortunate enough to do so, we can achieve genuine participative management with the collective wisdom of all employees. This will bring assured success in product development, good products in manufacturing, and very happy customers in sales. These results will meet the requirements of our customers, and I believe they will enable us to fulfill our true mission as a manufacturer.

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