

## 1.

### *First Establish a Management Philosophy*

I have been involved in corporate management for 60 years, and during that time, my experience has shown me the importance of having a management philosophy. In other words, this means having a solid fundamental principle that addresses the question of why a company exists, what purpose it operates for, and in what ways it is managed.

Corporate management involves many important factors, including technological capabilities, marketing capabilities, financial resources, and personnel, but the most fundamental factor is a sound management philosophy. Only with such a foundation can personnel, technology, and financial resources be utilized truly effectively, and the strength of all these factors can be developed more easily when a sound management philosophy is in place.

Thus, to soundly develop a business, one must start by

having a management philosophy. My 60 years of business experience have convinced me of this firsthand.

But I have to admit that when I was just starting out in business, I did not have a clear management philosophy. At first there were just three of us—myself, my wife, and my brother-in-law—and we started on a very modest scale primarily to make ends meet. In those first years, it would be fair to say that I did not have the faintest concept of a management philosophy. Of course, I devoted much thought to what I might do to make the company successful. However, my ideas were what one might call common sense or good business practice at that time: “Make good products. Keep prices down. Take care of your customers. Show appreciation to your suppliers.” And I worked hard to fulfill these ideals.

Following this approach, the business grew to some extent, and the number of employees increased along with it. It was then that I began wondering whether simply following common sense was really enough.

In other words, it occurred to me that although it was important and admirable to work hard to adhere to these