

The background features abstract, overlapping green geometric shapes, primarily triangles and polygons, in various shades of green, creating a modern and dynamic visual effect.

# Managerial practices in Japan & USA & application of Theory Z.

# Theory Z

- ▶ William Ouchi, a management researcher developed this new theory of management in the 1980s
- ▶ Theory Z is a business management theory that integrates Japanese and American business practices.
- ▶ The Japanese business emphasis is on collective decision making, whereas the American emphasis is on individual responsibility.

# Japanese Type Organization

1. Lifetime employment
2. Collective decision making
3. Collective responsibility
4. Slow evaluation and promotion
5. Implicit (understood, implied) control mechanisms
6. Non-specialized career path
7. Holistic concern for employee as a person



# American Type Organization

1. Short-term employment
2. Individual decision -making
3. Individual responsibility
4. Rapid evaluation and promotion
5. Explicit (clear, precise, unambiguous) control mechanisms
6. Specialized career path
7. Segmented concern for employee as an employee.

# Theory Z Type Organization

1. Long-term employment
2. Consensual, participative decision-making
3. Individual responsibility
4. Slow evaluation and promotion
5. Implicit, informal control with explicit, formalized measures
6. Moderately specialized career path
7. Holistic concern, including family

