

Corporate ideology and store managers: Implication from a Japanese retailer¹⁾

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Abstract

Using an anthropological approach, this paper examines a Japanese fashion retailer (referred to by the pseudonym “Ichi”) in Hong Kong to reveal the dynamic and complex relations between corporate ideology and employee behavior. Based on long-term participant observation, this paper seeks to explain how Ichi’s corporate ideology formed and how store managers have interpreted it. This paper suggests that the formation of Ichi’s ideology, or what has been referred to as “Ichi’s DNA,” has been influenced by the founder’s legacy and by its overseas experiences. Ichi’s ideology has two major principles: that sales must be increased and that in overseas stores, “Japanese-style” customer service must be provided without adaptation to local markets under the “Global One” policy. In disseminating its corporate ideology among local employees in Hong Kong, the company has sought to facilitate company-wide unity by promoting the adoption of a shared set of values and the emergence of a distinct institutional culture. This paper demonstrates that store managers, acting based on different interpretations of the corporate ideology, manage human relations, differently influencing the store atmosphere and employee relations. This anthropological study gives insight into management studies in the context of globalization and localization discourses. Corporate ideology could be influenced by both rational strategies firms implement and by employee politics. By exploring the relationship between corporate ideology and employee behaviors, this study seeks to address the gap between corporate ideology and practices.

Keywords: corporate ideology, store manager, customer service, fashion retail, employee behavior

Introduction

Ichi, a leading Japanese fashion retailer, opened its largest flagship store on a well-known shopping street in Shanghai on September 30, 2013. The store, Ichi’s 46th in main-

1) This work is partially based on the author’s thesis entitled *Control and manipulation: the company building process of a Japanese fashion enterprise in Hong Kong* from University of Hong Kong and it also includes the data collected by the fieldwork funded by The Matsushita Konosuke Memorial Foundation.

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land China, occupies 6,600 m² in a five-story building also occupied by four other brands owned by Ichi Group, Ichi's parent company. Almost 2,000 customers lined up in front of the store before the opening, although it was a weekday. As the doors opened at 10:00, dozens streamed into the store; security guards were necessary to ensure their safety.

Ichi's popularity is reflected in its sales. The CEO and founder of Ichi and Ichi Group, Takahiro Sakai,²⁾ announced years ago that the company's sales would reach 1 trillion yen; among the media and Ichi employees, this announcement was met with disbelief. However, in 2013, Ichi became the first company in the Japanese fashion industry with sales topping 1 trillion yen; the company has become the fourth-leading fashion retailer in its category worldwide.

As a global fashion retailer, how has Ichi built up its corporate ideology? What role did the founder play in creating the company ideology? How has the company disseminated this ideology overseas and how have local employees reacted to it? This anthropological study addresses how Ichi's corporate ideology has been formed, how store managers at Ichi Hong Kong have interpreted the corporate ideology differently, and how their varied interpretations have given rise to various aspects of the store culture. Ichi's corporate ideology was influenced by the founder's philosophy and the company's historical development. It has two major principles: that sales must be increased and that Japanese-style customer service must be provided. This paper discusses in detail how store managers' various interpretations of the corporate ideology have transformed human relations at an Ichi store.

To provide a context for the research framework, in the following section, the literature on corporate ideology is reviewed and the importance of anthropological study for understanding corporate ideologies and store cultures is discussed.

Literature on corporate ideology

Corporate ideology is the beliefs and values that provide a reference frame to members of an organization (Starbuck 1982) and it includes a system of ideas, beliefs, meanings and concepts prioritized and institutionalized by the corporation (Fox 2006). Corporate ideology is expected to influence the performance, growth, and survival of the firm binding the organization together (Beyer 1981). This section will review how the corporate ideology, particularly that of Japanese companies has been studied.

Company's ideology has been largely neglected in organizational studies of the company. Research on the organizational study began when the publication of Max Weber's seminal work established. He argues subjectivity of individuals forms the pattern of social organization and people's behaviors and interactions have a distinct relationship with specific cultural contexts. In the same vein as Weber's viewpoint, the modernist perspective or rationalist approach could be regarded as the starting point of the field of organizational study. This approach has been adopted by scholars trying to discover the fundamentals of organizational rationality and the relationship between formal structure and informal forms

2) Fictitious names have been used to avoid identifying the company based on a confidentiality agreement between the company and the author.

(Moeran 2013:3). Scholars examine the systematic nature of the organizations, particularly bureaucracies, which have been the subject of numerous studies on organizational design.

Subsequently, scholars started to put members of organizations at the center of their research on organizational culture, leadership, and management, and scholars attempted to examine the general picture of the structure and function of organizations based on empirical data. The emergence of the study of issues of decision making and choice within an organization also emerged at the same time (Simon 1976). Studies by sociologists and anthropologists started to receive more attention within the field, and many scholars in management studies began to focus on the culture within organizations. Culture is now considered as a possible candidate to explain varied organizational behaviors and levels of stability in groups (Schein 1990; Ouchi 1981).

The issue of culture within organizations became the focus of scholars, and this trend intensified with the economic boom in Japan from the 1970s to the early 1980s, when Japan had a growing presence in the world, as the economic situation in some Western countries, especially the United States, was unfavorable. The study of the Japanese miracle prompted the emergence of the *nihonjinron*, which stresses the idea that the cultural distinctions inherent in Japanese culture are the most influential factors on the country's business success (Abegglen 1956, 1973; Christopher 1983; Curtis 1969; Drucker 1971; Gibney 1998; Ouchi 1981; Reischauer 1977; Vogel 1979). Literature related to *nihonjinron* claims that industrial familialism, represented by harmonious worker relations, a focus on workers' welfare, collectivism, and so on, have formed the ideology of the Japanese company.

We could infer from the research of *nihonjinron* that there might be cultural influences on the management of Japanese companies; however, we cannot look into the cultural aspect in isolation when we study companies as profit-making centers. The literature of Japanese economists has permitted us to pay attention to the rational aspect of company systems (Koike 1984, 1995; Aoki 1986, 1990, 1991, 1992). However, their research approaches have failed to disclose the full picture of corporate ideology since it is not possible to confirm whether the corporate ideology is practiced in reality, as companies have claimed without direct observation by researchers.

Anti-*nihonjinron* literature has emerged since the methodology used by previous scholars over-simplified the fact that every Japanese company has distinctive features and does not fall under an overarching type of management. Ethnographic studies written by scholars, including Clark (1979), Fruin (1983), Noguchi (1990), Kondo (1990), Hamabata (1990), Wong (1999), Matsunaga (2000) Graham (2003), Mitchell (2007) and Zhu (2013, 2014 and 2015) have contributed to the deconstruction of the simple cultural explanation. For instance, Matsunaga (2000) and Wong (1999) examined the case in Japanese retailers. Through fieldwork, Matsunaga concludes that the changing Japanese economy has a strong influence on the ideology of the company as community (2000). Heung Wah Wong's work (1999) helps us to understand how the company managed employees within the context of the company's ideology and a dual structure that placed Japanese workers in superior positions over local employees.

Findings of Matsunaga (2000) and Wong (1999) indicate corporate ideology plays sig-

nificant role and has been utilized by the company for the favour of their intention. However, both of them failed to provide the picture of how store managers who were considered as mediators between the company and stores interpret the corporate ideology and how their interpretations influence employee behaviours.

This paper will reveal how the corporate ideology of *Ichì* has been formed and the implementation process of corporate ideology into Hong Kong market seeking to apply its ideology to local employees to promote a “shared” set of values. Stories of two store managers in a store will be introduced to clarify the relationship between the corporate ideology and employee behaviors. The next section will discuss why the anthropological framework is important to achieve the above research goals.

Methodology

This paper is based on the anthropological fieldwork conducted from August 2010 to 2013 at *Ichì* stores in Hong Kong. After getting the permission from the local head office for research, I had opportunities to work at several stores. During the participant observation period, I worked at *Ichì* stores five days a week and eight hours a day as an intern.³⁾

Of the various methodologies, anthropological research conducted through long-term fieldwork has most influenced our understanding of the organizational nature of culture (Moeran 2013:2). In-depth participant observation allows researchers to understand the human behaviours beyond the corporate ideology in order to gain a broader picture of the institutional culture of *Ichì*. The ethnographic approach has allowed us to illuminate and provide a rich understanding of specific organizational phenomena and, moreover, it could help us build a better theory (Barley 1983; Schein 1990; Van Maanen 2011). Ethnography requires ‘thick description’ as Geertz claims (1973:5) so that direct observation is the preferred research method.

Researchers are able to take a broad view when they examine the changes between employees and organizations by conducting fieldwork (Moeran 2005). This advantage results in finding the connections between unrelated aspects permits the use of data to understand dynamics at work in general, which differentiates field work-based research from the work of scholars in management schools, especially in terms data analysis.

It is not sufficient to observe human behaviour over a short time period since corporate ideology and group boundaries within the corporate structure might change along with internal and external factors, as these boundaries are also subjective and continuously negotiated among people. Kondo (1990) argues that culture is a process and a system of negotiated meanings rather than an absolute. This paper will start with the description of *Ichì*’s background information and how its corporate ideology has linkage with founder legacy and overseas expansion.

Ichì and the formation of its corporate ideology

Ichì and its parent company, Ichì Group, were established in 1984. The company has not

3) Internship program for university graduates in Ichì has started half a year after my fieldwork.

only survived the Japanese recession but has become the largest apparel firm in Asia. Given its net sales, Ichi has attracted substantial attention overseas. Ichi's 2014 annual report indicated net sales of 1.38 trillion yen (\$13 billion) and an operating income of 148 billion yen (\$1.4 billion). In 2015, Ichi Group was ranked fourth among worldwide fashion retailers using the SPA (specialty store retailer of private label apparel) business model.⁴⁾ Ichi Group was the first Asian fashion company to rank in the global top five.

Among Ichi's three major segments—Ichi Japan, Ichi International, and Global Brands—Ichi Japan predominates in sales. In March 2015, Ichi Japan, with 852 stores, accounted for 51.7% of total net sales, totaling 715 billion yen. Ichi International comprises all overseas operations; with 633 stores, it accounted for 29.9% of total net sales, totaling 413 billion yen. Global Brands comprises one local and three overseas brands; with 1,085 stores, it accounted for 18.2% of net sales, totaling 153 billion yen.

Among the segments, Ichi International has exhibited the highest growth rate: it has seen increases of 64.7% in net sales and 89.5% in operating income. Moreover, it has opened 187 new stores. Among all overseas markets, sales in the greater China area (Hong Kong, Taiwan, and mainland China), totaling \$208 billion, have comprised almost half of the sales of Ichi International. The company has viewed this development positively and has announced that it will continue to expand its business in these markets. This paper examines Hong Kong, where Ichi obtained its first overseas success.

The following section describes the legacy of Takahiro Sakai and the formation of the Ichi ideology. Subsequently, the core principles of the Ichi ideology are explained.

Ichi's corporate ideology and the legacy of its founder

With Ichi's increasing media exposure, Takahiro Sakai, Ichi's founder and president, has become known for his harsh, straightforward opinions and ambition to make Ichi the world's number-one apparel company. Sakai's management philosophy has substantially influenced the formation and development of Ichi's corporate ideology.

Sakai's ideas are fundamentally based on the concept of crisis awareness. Based on crisis awareness, the company has sought to grow overseas, to adapt to changing markets, and to enhance its uniquely Japanese advantages. Witnessing the collapse of the Japanese bubble economy affected Sakai; he indicated that he has felt that the economy and companies could be so fragile that "collapse" could be possible at any time. Furthermore, he has spoken of his feeling of being pressured, particularly after having inherited the company from his father.

After inheriting the company from his father as a high-end suit shop in the 1970s, Sakai determined that the suit business was limited. On a trip to the US, he discovered major SPA companies that had emerged in the 1980s, including Gap, Limited, and other chain stores using self-service business models; believing that an SPA company could service the huge market for low-priced casual wear among young people in Japan, Sakai shifted the focus of

4) Apparel companies that design, manufacture, and sell their own clothes at their own retail stores are said to use the SPA model. The term originates from Gap, a casual clothing company from the US.

his business from suits to casual wear. Ichi began to produce affordable and relatively fashionable casual wear targeted to young people; eventually, however, the company came to target all generations and focus on basic, functional clothing. Using these strategies, Sakai attempted to adapt to changing market needs.

In the 1990s, Sakai noted that the products of many Japanese companies that had moved production to China had suffered in quality; subsequently, Ichi began to pay substantial attention to quality control. The rising yen and the signing of the Plaza Accord in 1985 made clothing more affordable for the masses. However, in reality, Sakai observed that many manufacturers who had tried to keep costs down by moving production from Japan to mainland China had failed at quality control because they did not manage their own local factories. In an interview, Sakai indicated that, having accumulated experience in mainland China, the company directed its focus to quality control to produce “clothing with fine craftsmanship,” which he believed was an essential characteristic of clothing produced by a Japanese company.

Sakai has also indicated that clothing should be a medium by which technology is disseminated among people; he has stated that it is Ichi’s role to share the innovations of Japanese technology with people from all over the world. Ichi has engaged in collaborations and invested substantial time and money into producing materials to distinguish the Ichi brand; Ichi clothing is now made with innovative materials. In this, it may be perceived how Ichi has strategically taken its status as a Japanese company as an advantage.

Ichi expanded into overseas markets because of a strong sense of crisis awareness. In his biography, Sakai describes himself as a short, weak Japanese man compared to Westerners; he discusses how he strove to position his company in the West, where chain store management development had far outpaced what was happening in Japan. Comparing Japan to the West, Sakai felt a sense of inferiority that extended to beyond marketing. This motivated him to open stores overseas—after opening a first store in the UK, he opened global flagships in New York, Paris, and other cities in the West. Meanwhile, the company began to proactively expand its business to Asian markets one year after opening in the UK.

To become a real global company, Ichi has also paid attention to internationalizing its human resources management. Sakai has stressed on many occasions that it is critical for Japanese to go abroad; consequently, Ichi has sent hundreds of Japanese managers to overseas markets to recruit largely foreign employees. These business practices evidence Ichi’s eagerness to expand its overseas business.

It can be concluded from the above that, based on the principles of its founder, Ichi has pursued rapid growth overseas and transformed its business practices both to adapt to the market and to make its status as a Japanese company an advantage. While clear traces of the development of Ichi’s corporate ideology are lacking in its early history, the company’s ideology is visible in its expansion into the Hong Kong market.

Corporate ideology and Ichi DNA

The word “DNA” has been used in Ichi’s official annual reports since 2006, when Sakai indicated that the company’s high-quality products were the result of its “Japanese DNA.”

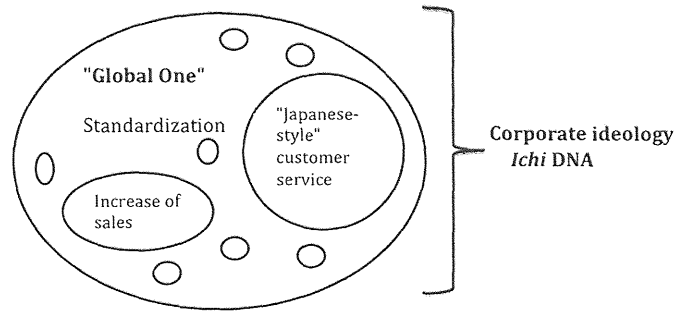


Figure 1 Ichi's corporate ideology

“DNA” refers to the inherited, unchangeable genetic nature and traits of an organism. At Ichi, the term “DNA” refers to the company’s ideology, which employees can “inherit” as part of the genetic identity of the company. The concept of Ichi DNA came from the company’s Japanese headquarters; it reflects both uniquely Japanese aspects and the distinct company ideology.

This paper focuses on the core principle of Ichi’s corporate ideology— “Global One.” Global One was instituted as a policy to standardize the Ichi ideology worldwide. To clarify this concept, this paper focuses on two major principles: that sales must be increased and that Japanese-style customer service must be provided (see Figure 1).

The Global One concept is closely linked with the company’s failure in the UK and mainland China and its success in Hong Kong. When Ichi entered the UK and mainland China markets in 2002 and 2003, respectively, the company was uncertain whether its way of doing business would work overseas. Ichi believed that local employees with more knowledge of the local market should be responsible for business operations; however, the company was not able to turn a profit for the next several years. When the company had almost lost its faith, a miracle happened in Hong Kong—on opening day, a large number of customers lined up and profits completely unexpected among top management were earned.

After its success in Hong Kong, Ichi came to believe that its ideology could be a key factor in whether it would be able to succeed overseas; the company has thus sought to disseminate this ideology worldwide. The two major principles of Ichi’s ideology—that sales must be increased and that Japanese-style customer service must be provided—are explained in the following section.

Japanese hospitality: Customer satisfaction

Many studies have criticized Japanese companies for failing to establish “Japanese” brand images in overseas markets (Sakaguchi 2010; Shimada 2011). However, Ichi has instituted Japanese-style customer service to ensure Ichi-specific customer satisfaction. Ichi’s stores in every overseas market use a standardized customer service manual; understanding the customer service manual is a major criterion for promotion.

Ichi has strongly emphasized customer service: customers who are satisfied are likely to buy more, increasing sales. Consequently, Ichi expects employees to ensure high levels

of customer service. As part of the Global One policy, Ichi has formulated a list of standard customer service requirements. According to the company, employees in any region or country can ensure higher levels of customer satisfaction by abiding by the requirements.

There are two characteristics to Ichi's customer service principles. First, customer service is supposed to link Ichi with "Japanese" culture. Customers consider politeness, smiles, and sensitivity the major features of Japanese hospitality. For Reisinger and Turner (1999:1221), politeness is an ideological aspect of Japanese culture by which, through the expression of a decent manner, people attempt to avoid public conflict. Ichi also established a list of "Prohibited Behaviors" that could potentially "damage" the image of the company; the list includes not only inappropriate behavior toward customers but also words that should not be used. These characteristics could be considered to have emerged from Japan's shame-based culture. According to Takie Lebra (1983:194), Japanese culture is distinguished by a sensitivity to superficial shame and embarrassment. To avoid behaviors that could "shame" the company, store employees are required to practice good behavior.

Second, the company has indicated that customer service can be evaluated by "immediate evaluation" —in other words, that an evaluator could determine an employee's customer service performance immediately upon observing it. Therefore, many employees seeking promotion have basically followed the manual rather than serve customers with their own interpretation of hospitality.

Third, several concepts in the manual are ambiguously defined and subject to individual interpretation. For example, the manual uses the terms "smile," "polite," and "inappropriate words," but these terms could be interpreted differently by different people. The manual lists "inappropriate words," but in fact, whether words are inappropriate is situation-dependent.

In addition to enhancing its Japanese characteristics, Ichi is concerned with profitmaking; thus, it places an emphasis on increasing sales. This notion is explained in the following section.

Sales mean everything: The company as a profit-making organization

Ichi has attempted to distinguish its brand from others by providing unique, Japanese-style customer service. Sales are also crucial; this paper practically understands increases in sales as having resulted from business strategies to increase store sales pertaining to store layouts, efficiently managing stock control, and so on.

As the founder of Ichi, Sakai has repeatedly announced in the media that Japanese should not dream of becoming salarymen, who in Sakai's estimation are less motivated, less innovative, and less able to achieve; rather, he has exhorted people to pursue a spirit of mercantilism. As mentioned previously, Sakai's persistent crisis awareness spurred him to pursue continual development for the company at a rate rapid enough to gain the dominant market position.

This focus on continual development can be observed in Ichi's results-based promotion system, under which people who achieve strong results are promoted without an eye to their age or sex. On its official recruitment website, Ichi presents numerous examples of

young employees in their 20s and 30s who were promoted at the beginning of their careers. Ichi has also promoted its initiatives to give young people the opportunity to work overseas. In one interview the company has posted online, a young female store manager discusses having been sent overseas in the second year of her career.

Ichi holds recruitment events on various occasions. During these recruitment events, members of the human resources department show movie clips and discuss how the results-based promotion system has enabled young staff members to gain valuable experience at Ichi. Furthermore, it is emphasized during these events that the company appreciates good talent and can fast-track fresh university graduates to store manager positions.

Fieldwork at Ichi Hong Kong suggested that there was a gap between the company's statements and reality. However, it was determined that employees who were able to increase sales at stores were highly evaluated and were promoted even at the beginning of their careers. This principle has been practiced both in Hong Kong and Japan.

Ichi defined and redefined its corporate ideology and, based on the Global One initiative, sought to introduce this ideology overseas. The following section shifts the focus to Hong Kong to illustrate how Ichi's corporate ideology has gradually been disseminated in three stages.

Ichi Hong Kong

By June 2015, there were 24 stores in Hong Kong. The first store in Hong Kong, Miramar, opened in September 2005. In the 2007 fiscal year, three stores opened, and four more opened in the 2008 fiscal year. By the end of August 2007, the company had earned HK\$1.8 billion, including operating profits of HK\$46 million. The number of new stores dropped from four to two, with the peak in fiscal year 2008. In fiscal year 2011, the company started to convert its standardized stores into large-scale ones⁵⁾, such as the Telford Plaza store and the Harbor City store. From 2012, the company continuously opened the stores particularly targeting the local middle class and mainland Chinese tourists.

This paper will examine the changes of *Ichi Hong Kong's* development from three stages: *laissez-faire principle* (2005 to 2007), *Implementation of the Ichi DNA* and the "Global One" Policy (2008 to 2010) and *Enhancement of DNA in the Mature Stage* (2011 and onwards).

Laissez-faire Principle: 2005-2007

One of the major factors in *Ichi's* early success was the market situation, such as the location strategy, and the company's brand building in an attempt to attract customers with a "Made in Japan" image. After the success of the first store, the local subsidiary opened seven new stores in fiscal years 2007 and 2008. The company's location strategy was to target more mainland Chinese tourists. For instance, the metro station near the Festival Walk store, in Kowloon Tong, is on the East Rail Line, which connects directly to mainland China.

Because of the emphasis on increasing the number of store openings, necessary ad-

5) Standardized stores are around 750 m² while large-scale ones are around 1,500 m² to 3,000 m².

justments to human resource policies and management principles were neglected, and the company did not have enough time to introduce much of the “Global One” standardization, which is why this paper describes this phase as “laissez-faire.” Local and Japanese Store Managers were also busy managing store operations and recruiting new employees to keep up with the high turnover rate. A quote from Mr. Mizuno, an Operations Manager who was relocated to Hong Kong in 2008, can help us understand the situation:

I am not judging the Japanese person in charge who worked in Hong Kong before my assignment, but there was no system at that time. There were so many customers every day that employees could only care about replenishment without any standardized rules or systems. Moreover, there was no systematic evaluation system, so the resignation rate was serious. The first store in Hong Kong gained huge success, so the subsidiary was expected to open more stores. When I arrived here, I found that it was completely “uncontrolled” (*nobanashi*). When I went to the store, I found no sign of *Ichi*’s basic principles. The Japanese person in charge looked so tired that he looked like he was dying.

Thus, the local employees experienced an “uncontrolled” situation. One full-timer who worked at the East Point City (TKO) store from its opening in 2007 said, “We didn’t have any ‘*Ichi*’ rules before. We just learnt the skills that are required to operate the store. I’ve heard that our company has some kind of principles, but we don’t have to memorize or chorus them.” A part-timer at the TKO store agreed with the full-timer by saying that she liked working in *Ichi* when there were no “silly” rules.

Implementation of the *Ichi* DNA and the “Global One” Policy: 2008-2010

The laissez-faire policy did not last for long time. From 2008, the *Ichi* DNA was introduced to increase profits and unify brand image to an *Ichi kijun* (standard) while also standardizing floor layout and CS. The Hong Kong subsidiary’s first major change was the introduction and standardization of the *Ichi* DNA, focusing on *kijun* and CS under the “Global One” policy. Mizuno stressed the necessity of using the DNA to differentiate *Ichi* from others by referring to the company’s failure in the U.K.:

The major reason for *Ichi*’s failure in U.K. was the complete localization. The company recruited local employees as top management and practiced in local ways. However, it didn’t work out well. We failed to send the message about the goodness of Japanese companies, and what we could offer as a Japanese organization. At the time, customers only regarded us as an Asian company that sold affordable products. In the beginning, some customers might have been interested in our company, but we failed to differentiate ourselves. Then, we introduced them to our strengths, what we achieved as a Japanese company, and the fundamental principles that led to our success. Those are the major reasons for our success in Hong Kong and Korea. The price of the products actually does not matter that much nowadays, since many companies are doing the same

thing. We need to show our high value through our attitudes towards work and display the company's DNA to customers; otherwise, we will not differentiate our company from others.

Additional shop floor standards for employees to follow were added to the company's manuals. Through "Global One", many new standards were introduced to the Hong Kong stores on issues such as price pop locations, store layout, and the order of products in order to provide a unified shop floor to customers. A standardized CS Check Sheet was formulated, and employees were evaluated daily by their higher ranked employees on their politeness and hospitality; CS became a more important factor in promotions. The introduction of these requirements also became part of the standardization of the "Global One" policy.

The second change was from "showcase" stores to high-volume sales stores. Although the Hong Kong store is much smaller than the Japanese ones, they all sell the same number of products. According to Mizuno, when *Ichii* arrived in Hong Kong, the sales floor was designed to build a brand image that attracted customers. To do this, the store set aside a large space near the entrance for many mannequins. Mizuno strongly favored this strategy. However, he believed that, as the *Ichii* brand was now recognized by many Hong Kong customers, it might be time to create a sales floor geared more to customer satisfaction, as customers had started to complain about the lack of different sizes and colors. To do this, Mizuno believed it necessary to place more products within the limited space. In the end of 2009, Mizuno felt that the sales floor needed to be changed. Mizuno asked a Japanese Visual Merchandising Display (VMD) team to come to Hong Kong, renew the floor plan, and install larger product shelves for the 2010 autumn winter peak season. For instance, the TKO store had only small product shelves. Starting in mid 2010, Mizuno regularly visited the store with the Supervisor; in September 2010, a number of large tall product shelves were delivered to the store and these were able to contain more products. With larger products shelves, the store's inventory sharply increased.

This change intends to increase the sales since its development was slower than in the early days. *Ichii* believed that a systemic rationalization was necessary to reduce costs as much as possible, which meant that the stores' major task was to reduce costs and increase sales based on the standardized policy rather than implementing local solutions. For instance, *Ichii* followed the part-timer focused model in Japan in order to assign employees flexibly and reduce costs. Although this model was not workable and many Store Manager suggested changing this policy, it has not been changed for more than five years.

The above practice might not directly contribute to the increase of sales in Hong Kong; however, the company continuously stressed the implementation of its DNA.

Enhancement of DNA in the Mature Stage: 2011-

As the company never stopped expecting higher profit, a breakthrough after re-opening stores as larger ones and opening the flagship store turned out to be necessary. The transfer of Japanese Store Managers was also expected to increase sales, given their deep knowledge of the *Ichii* DNA, which had contributed strongly to sales in Japan. Around the same

time, the company attempted to introduce a monthly CS checkup to enhance *Ichi*'s brand image.

The changes of store formats and the transfer of Japanese expatriates were expected to help stimulate revenue. Two standard sized stores, the Harbor City and Telford Plaza stores, were relocated and re-opened as larger stores. The Telford Plaza store was the largest in Hong Kong when it opened. Mizuno said that enlarging the store would have been an efficient way of increasing its net revenue, but that its limited retail space and high rent prevented this. Another breakthrough was made in Hong Kong with the flagship store. Before the store opened, Mizuno "predicted" in an interview that it would be necessary to promote the presence of *Ichi* again:

I think a breakthrough is crucial for the Hong Kong operation in the near future. There are large apparel retailers, such as H&M, ZARA and GAP, in Hong Kong. Moreover, the Hong Kong market has already matured, and customers have higher requirements. I am sure *Ichi* has a position in the market, but we need to have another breakthrough in order to win against those leading apparel retailers. A flagship could have that impact and allow Hong Kong's people to see the potential of *Ichi*. We are going to open such a store in the near future.⁶⁾

It is not possible to maintain annual sales since *Ichi* employees regard mere maintenance as a backward move. Therefore, we must exceed the annual sales of the previous year. Even though we are entering the mature stage, we have to brush up on our operations.⁷⁾

Besides securing the annual sales growth, the company did not neglect to implement its corporate ideology in Hong Kong. The *Ichi* DNA was enhanced in Hong Kong through the transfer of seven Japanese Store Managers in early 2011, who were assigned to train local Store Managers based on the "original" *Ichi* DNA to achieve higher cost performance and profits. Most had long experience working at *Ichi*. Before their arrival, all Japanese employees were ranked above the Store Managers, increasing the number of Japanese expatriates from three to ten. While working next to them, the Japanese Store Managers were expected to provide detailed training.

One of the strategies to unify *Ichi* brand image was the April 2011 introduction of the CS Checkup, performed by a mystery shopper from mainland China. This practice was introduced into the Hong Kong market because of its effectiveness in improving CS in mainland China. According to an informant who worked in mainland China, CS in Hong Kong was not checked until 2010, when Japanese top managers were shocked at its low level.

The above practices were attempts to enhance sales and build *Ichi*'s brand image. The changes to the store's format and the enhancements to *Ichi*'s DNA were consequences of the low sales of Hong Kong stores, which the company believed were caused by a lack of

6) Interview with Mizuno on September 25, 2010.

7) Interview with Mizuno on January 14, 2011.

Ichi DNA; they believed it crucial to introduce a system that was more efficient. Japanese Store Managers were sent to Hong Kong to enhance the *Ichi* DNA through their daily supervision of the stores, while CS checkups were used to improve CS and unify the company image.

From the discussion of three different stages of *Ichi* Hong Kong, it is clear that the company has gradually introduced *Ichi* ideology and employees were required to adapt to this change in order to facilitate their career path. In order to facilitate its introduction, the company expected store managers to play the role as “missionary” to spread this idea. This is supported by the design of the company structure, which transferred authority to store managers who were considered to be the experts on store operation.

The next section will introduce the stories of two store managers at TKO store to analyze how their interpretations towards corporate ideology have resulted in transforming human relations.

Store managers and corporate ideology

The TKO store opened in a shopping mall on the east side of Hong Kong in 2007. The mall is located in a new town in southern Kowloon Island. The store targets local, middle-class residents and is located in a mall with many other retailers, including Lafuma, Cotton On, The Body Shop, Chow Sang Sang, and Marks & Spencer. The store employs between 30 and 60 employees, including part-timers, depending on the season. Data were obtained from fieldwork conducted between 2010 and 2011. During the fieldwork period, with the exception of an assistant store manager who was transferred to another store, the employees at the TKO store (overseen by the store managers “Jenny” and “Lisa”) remained the same.

The TKO store has been criticized by the head office for its low levels of customer satisfaction and lower sales; every successive store manager has sought to rectify these problems. This paper examines two store managers; in the following, their career paths at *Ichi* (Table 1), which have to some extent influenced their interpretation of the corporate ideology, are illustrated.

The first store manager, Jenny, joined *Ichi* after working at a Hong Kong fashion retailer for several years. She worked at the TKO store from March 2010 to February 2011. The

Table 1 Two store managers at the TKO store (2007–2012)

Name	Birth	Sex	Nationality	Education	Year of entry	Previous job	Entry rank	Career development in Hong Kong
Jenny	1977	F	Hong Kong	High school	2007	Hong Kong fashion retailer	Senior Salesperson	1. Sep 2007-Feb 2010: LT 2. Mar 2010-Feb 2011: TKO 3. Mar 2011-Aug 2012: OC
Lisa	1982	F	Hong Kong	High school	2007	Independent business	Full-time Salesperson	1. Sep 2007-Aug 2008: TP 2. Sep 2008-Feb 2009: PH 3. Mar 2009-Aug 2010: WTC 4. Sep 2010-Feb 2011: NTP 5. Mar 2011-Aug 2011: TKO 6. Sep 2011- : NTP

second store manager, Lisa, joined the company after operating her own fashion business. She worked at the TKO store after Jenny left in February 2011. Before coming to the TKO store, neither Jenny nor Lisa had worked as store managers previously.

Jenny and Lisa made decisions differently due to several factors. First, Jenny and Lisa entered Ichi at different levels. Because she had had experience working at a fashion retailer as a senior salesperson, Jenny was able to enter Ichi one rank above Lisa, who entered as a full-time salesperson, the lowest entry level for full-timers.⁸⁾ Second, whereas Jenny worked at three stores, Lisa worked at six. Although it was not formally stated, store managers who had worked at a large number of stores were considered to have more expertise and a brighter future at the company.

The following sections examine how different interpretations of the corporate ideology—including its principles in regard to increasing sales and the provision of customer service—gave rise to dynamic, complex human relations at the TKO store.

Customer service lover: Jenny

Based on a strong recommendation from her local supervisor, Jenny took and passed Ichi's store manager examination, though she viewed the promotion to store manager with reluctance. From her point of view, store managers had heavy workloads; she wanted to avoid long working hours so that she could have more free time. Despite her trepidation regarding her supervisor's recommendation, she eventually took the examination based on her understanding that Ichi employees should continually seek improvement rather than stay in the same position. Furthermore, she liked her local supervisor and believed that a promotion could benefit her in terms of her future career.

Jenny interpreted Ichi's ideology as favoring her personal career path. Furthermore, she believed that store managers only needed to either improve customer service or increase sales. She chose to focus more on customer service because she had less confidence that she could improve sales. As she had capable subordinates and almost every store in Hong Kong had achieved successively higher sales on an annual basis, Jenny was able to secure her position by focusing only on customer service. The following section discusses how Jenny's interpretation of the corporate ideology gave rise to a "harmonious" store.

A focus on customer service rather than on increasing sales

Jenny's first strategy was to demonstrate the customer service model herself on the shop floor. When I first saw her provide customer service for the first time, I thought she was very "Japanese-style" in terms of her politeness and natural smile. Discussing the issue of customer service with Jenny over lunch, she said that modeling customer service was necessary, as it was quite hard to educate and change the mindsets of employees who had worked at a single store for relatively long time. In addition to demonstrating "standard"

8) Before 2010, Ichi had no rank between the positions of full-time salesperson and senior salesperson; thus, at the time they started working, Jenny was only one rank higher than Lisa. Since then, Ichi has introduced the position of advanced salesperson between these two positions.

customer service performance for the store employees, she also had a different strategy.

Jenny's second strategy was to change her attitude towards store employees based on their customer service performance. For instance, Jenny treated two full-time salespeople with a kind attitude and frequently socialized with them outside of work because they were able to perform the customer service Jenny desired. Furthermore, she praised them in front of others and assigned them to manage customer service teams, although such teams were only supposed to be managed by employees who were advanced salespeople or higher.

By contrast, she publicly criticized employees who did not practice customer service to her expectations. One full-time salesperson, Oliver, displayed a recalcitrant attitude towards Jenny, who often directed him to follow the Ichi manual and smile at customers on the shop floor. After several tries at getting Oliver to smile, Jenny began to avoid assigning him to work on the shop floor in front of customers. There were many times that I witnessed Oliver working in the back room and the alteration room. Susan, a part-time employee, can serve as another representative example. Susan was an experienced staff member with numerous skills; however, customers twice complained that she had an inappropriate attitude and a "poker face." She was reluctant to smile because she found it hard to smile at strangers, even though her workplace required it. To prevent customer complaints from damaging the store and her own reputation, Jenny avoided assigning Susan to locations in the store that were prone to a higher rate of customer complaints, such as the cash register and fitting room.

The extent of the relationship between customer service performance and employee promotion, such that Jenny directed such substantial efforts to it, is exemplified in the case of Sabrina. Sabrina, who was in her early 20s, had worked at the TKO store since its opening in 2007. She was the oldest and most experienced staff member at the TKO store; however, by 2010, she had not been promoted for over three years, which was unusual at Ichi at the time. My first impression of Sabrina was that she was expert at every task but did not smile while on the shop floor—though she was physically able to smile, she did not find it necessary to smile at customers. In her words, "There is no direct relationship between whether I smile and sales, right? Many managers claim that it is necessary to smile to attract more customers, but I haven't seen any scientific proof." She believed that if a person had a "real" ability to do their jobs, they would eventually be promoted. However, after working at the TKO store for three years without being promoted, she realized that there was something wrong with her idea.

Sabrina's was finally promoted because in the eyes of the supervisor who was ranked above store manager and was responsible for the TKO store, her customer service performance had improved. This supervisor had originally rejected the store manager's recommendation that Sabrina be promoted on the grounds that her customer service performance was inadequate. The former deputy store manager advised her that customer service is one of the most important criteria for promotion at Ichi and that she could not underestimate its significance. Moreover, the former deputy store manager pointed out that ignoring her supervisor when he came to the store was inappropriate; to give him a better impression, it

was recommended that Sabrina voluntarily greet to her supervisor. Sabrina indicated that she forced herself to smile on the shop floor and greeted her supervisor with a natural smile for the following months. Even she did it unwillingly, this advice worked well for her and the supervisor finally gave his approval for her promotion. Sabrina commented that her promotion could entirely be ascribed to her customer service performance, as she had not learned any new jobs.

Sabrina's case evidences Jenny's emphasis on customer service. Jenny found it difficult to look after both customer service and sales; consequently, she handed responsibility for sales to her capable subordinates, particularly Michelle, the deputy store manager, and Kelvin, a senior salesperson. In addition to Michelle and Kelvin, Jenny also passed tasks to Gina, an assistant store manager who had joined Ichi fresh out of college and had been promoted to her position three months after joining the company.⁹⁾ However, Jenny rarely assigned more important managerial tasks to Gina because she found training Gina a waste of time. After Michelle left, authority over sales issues was largely transferred to Kelvin because Gina was inadequate at her job and distrusted by Jenny. Michelle's relocation increased Kelvin's power and status at the store; it was he who fulfilled store manager duties when Jenny was not around, although Gina ranked higher than him.

"Harmonious" store

These descriptions may suggest that Jenny's managerial practices resulted in an unharmonious atmosphere at the TKO store. However, in reality, the turnover rate was low and human relations were quite harmonious compared to other stores.

Jenny's way of treating employees differently according to their customer service performance did not create conflicts between her and her subordinates because most employees understood that the store manager had substantial power in regard to personnel arrangement. Even employees who had been treated, in their words, "unfairly," did not rebel against Jenny in an obvious way. I did not encounter any public conflicts between Jenny and her subordinates during my fieldwork. Jenny attempted to build harmonious relationships with all of her subordinates, at least in a superficial way, to ensure that she could obtain help from them when necessary.

Furthermore, no direct conflicts between those who were favored by the store managers and the others emerged because among them, there were no clear conflicts of interest. Even employees who were treated "well" by the store manager did not get the promotions or transfers to different stores that they wanted. Therefore, employees who were not Jenny's favorites did not feel threatened by the existence of favorites. Moreover, employees did not seriously consider customer service as important as sales. Sabrina had difficulties getting promoted because of her customer service performance, despite the fact that she was qualified in terms of sales. Her case also emphasizes the fact that while employees seeking

9) The company has emphasized the importance of hiring educated university graduates, who it considers future candidates for store managers. Such graduates typically enter the company three ranks above other Full-time Salespeople.

to improve their customer service performance could simply follow a manual, those seeking to enhance their sales performance could not do so without accumulating actual experience. It may be suggested that the TKO store had “harmonious” relations because motivation was limited and career goals were ambiguous among the employees.

Employees did not object when Kelvin, a senior salesperson, came to have more power over store issues than Gina, who as assistant store manager was supposed to have that power. Many employees believed that Kelvin was more capable than either Gina or even Jenny. Furthermore, Kelvin was very careful to maintain human relations with other employees and attempted to avoid conflict as much as possible so that he could obtain help when necessary.

As these observations clearly indicate, Jenny’s strong expectation of stability and her own interpretation of the Ichi ideology unexpectedly and spontaneously gave rise to a “harmonious” store. Employees criticized Jenny for not offering promotional opportunities. The next store manager, Lisa, actually offered promotional opportunities; however, Lisa’s substantial emphasis on sales led to drastic changes in human relations at the TKO store.

Sales only: Store Manager Lisa

Lisa, the youngest Ichi store manager, did not have a university degree. After giving birth to her second child, Lisa opted to work at Ichi because she wanted more stability and to spend more time with her family.

In contrast to Jenny, who paid little attention to sales, Lisa emphasized sales and the promotion of subordinates. She largely ignored customer service. When Lisa arrived at the TKO store in March 2011, many employees immediately noticed that she was different from Jenny: while Lisa often worked on the shop floor, Jenny had not. Lisa only worked at the TKO store for half a year; however, she exerted a strong influence on the power structure among her subordinates and transformed the store atmosphere that Jenny had facilitated.

Focus on sales and the promotion of subordinates

Lisa mainly focused on improvements to the shop floor, such as improvements to the layout and stock control; this was because she believed, based on her own experience, that the shop floor was more important than customer service. Lisa told me proudly that although she had worked with many store managers, her achievements were the result of her own efforts rather than from training received from store managers. She also highlighted her love of managing stock control and making store layouts. Lisa was rich in sales experience but paid nearly no attention to customer service performance; in half a year of participant observation, I did not see her smile at a customer once.

In pursuit of attractive store layouts, Lisa made frequent adjustments that she required subordinates to carry out. One day, Lisa came toward me and looked at a display. She asked me to switch the color of the display because she thought it was unattractive; she asked me to hurry. It was the first time I had received an order from the store manager regarding the shop floor—Jenny had delegated such matters to her subordinates. Lisa frequently asked employees to change the clothing on mannequins and to reorganize shelves to attract more

customers. In contrast to Jenny, Lisa carefully examined the sales floor in order to increase sales. Many employees were impressed by Lisa's performance and regarded her as a model store manager.

In contrast to Jenny, Lisa allowed more full-time employees to be promoted. Lisa wanted to promote as many employees as possible; she would ask supervisors whether positions at other stores were available for her part-time employees to transfer to as full-time salespeople. Lisa conducted monthly face-to-face interviews with store employees to learn what her subordinates wanted and she tried her best to help them. Lisa aggressively tried to promote subordinates and facilitate store transfers. These efforts were largely based on her own career path: she believed that employees who received promotions and transferred stores could acquire more experience that would eventually contribute to their sales performance. From her point of view, the ability to increase sales was premised on the accumulation of experience; she did not believe customer service performance required experience.

Lisa put her efforts into sales and the promotion of subordinates. She did not institute customer service requirements for employees except for those required by her supervisor, and even then, she expended little effort in enforcement. In response to pressure from her supervisor, she formed a customer service team and assigned several full-time employees to look after customer service practices among employees, but she paid little attention to it.

Thanks to her hard work in regard to increasing sales and promoting subordinates, Lisa gained her employees' trust and enhanced their motivation. Many employees dreamed of a bright future and started to spend more time learning strategies to increase sales in order to be recommended by Lisa for promotion; however, this led to power struggles among motivated employees and created an unharmonious store atmosphere.

Power struggles and an unharmonious atmosphere

Two major types of conflict at the TKO store emerged: conflicts among full-timers and conflicts between full-timers and part-timers.

The conflict between Gina, the assistant store manager, and Roy, a full-time salesperson, is representative of the conflicts that emerged among full-timers. Under Jenny, Gina had not been assigned managerial tasks; accordingly, she was considered low in status and to have little power. However, when Lisa became the new store manager, Lisa expected Gina to perform appropriately in her role as assistant store manager and assigned her various managerial tasks. With her growing responsibility for managerial tasks, Gina sought more power and an enhanced status. Gina believed that as a manager, her major task was to manage subordinates—in another words, to give orders rather than obey them. Even Gina believed that she had insufficient experience; however, she felt that holding a university diploma gave her a certain privilege at Ichi. Ichi allows university graduates to enter the company three ranks above the lowest ranked position, full-time salesperson. She distinguished herself from other employees based on her higher education and English ability. As Lisa assigned her an increasing number of managerial tasks, Gina began to enhance the presentation of her own power and status. However, Gina's insufficient experience and "elegant" attitude caused many conflicts with other employees.

Roy, a full-time salesperson in his early 20s, worked at several fashion retailers after graduating from high school. Roy had given up pursuing his dream to become a firefighter or police officer after failing certification examinations several times; subsequently, he made up his mind to attempt to obtain a better position at Ichi. Roy was good at customer service, which had made him Jenny's favorite, although he felt insecure about his limited sales experience and his lack of training in regard to sales.

As she assigned Gina various managerial tasks, Lisa also gave Roy many opportunities to handle sales issues—she tasked him with making the store layout and learning about stock control, among other things. Both Gina and Roy were beginners at sales-related operations and both were eager to show the store manager that they were capable of achievement in order to be recommended for promotion.

Previously, under Jenny, Roy and Gina had had a harmonious relationship; they had been rather like equals despite the fact that Gina was four ranks higher than Roy. By assigning more managerial tasks to Gina, Lisa changed the relationship between Gina and Roy: while they had previously been relatively equal, their relationship became one with a superior-inferior dynamic as Gina was given more opportunities to give orders to employees, including Roy. Suddenly, Roy was confronted with a “bossy” version of Gina. Roy tried to be calm and to ignore Gina and focus on his work, whereas Gina began to target what she perceived as Roy's inadequacy at work.

In December 2010, Roy and Gina were scheduled to meet with the store manager. Before the meeting, Roy saw Gina on the shop floor but did not greet her. Gina tapped him on the shoulder and said, “Hey, are you sick today?” The phrase itself did not sound serious. However, out of his fatigue and long-term stress with Gina, Roy exploded; in front of customers, he told her “F— you” in Cantonese. Gina was shocked: she had not predicted Roy, with his mild temper, to say such words. She ran to Lisa to relay the incident. Lisa found Roy and told him that they needed to talk, though they did not talk on that day due to business at the store. Several days later, Gina and Roy encountered each other in the back room after their shifts. Gina confronted Roy and said she wanted to discuss and resolve their problems; Roy told her he did not want to talk to her. Roy told me that on that day, he used extremely dirty words with Gina to get her to leave him alone. After several weeks, Roy gave up fighting with Gina and apologized. This incident seriously damaged Roy and Gina's relationship and contributed to the creation of an unharmonious atmosphere.

The conflict between Anna, a new part-timer, and Janet, an advanced salesperson, is representative of the conflicts that emerged between full-timers and part-timers. Janet had substantial experience working at Ichi and was Jenny's successor insofar as she sought to praise capable staff members and scold those she found incompetent. Janet had a particularly grudging attitude towards new part-timers: she found that many of them were unmotivated and that training them occupied a large amount of her time. Anna, a university student who had just started working at the Ichi store, had a direct conflict with Janet. One day, during an employee meeting, Anna forgot to bring a document. According to Anna, Janet embarrassed her by scolding her repeatedly for forgetting to bring the document in front of other employees. Furious at Janet, Anna smashed the plastic bottle on a table and left the

room. I was working in the back room when I saw Anna come in. With tears running down her face, she told me that Janet had often tried to humiliate her. On many occasions, I observed new part-timers having direct or indirect conflicts with full-timers.

When I heard the story from Anna, I was not surprised. I had observed Janet for half a year and had found her hostile towards new part-timers; I ascribed her hostility to the fact that stress at the store had increased since Lisa had taken over. It cannot simply be concluded that Lisa's management was directly responsible for this. Rather, Lisa's emphasis on sales instead of customer service exerted a substantial influence on how employees at the store behaved. Under Lisa, employees became more ambitious and eager to demonstrate their performance to secure promotions. Thus, mutual conflicts of interest emerged between them, exacerbated by Lisa's "unemotional" attitude toward her subordinates in comparison to Jenny.

Ichi ideology and store managers

Examining changes in human relations at the TKO store, it is clear that Jenny and Lisa acted based on different interpretations of the corporate ideology and that these different interpretations differently influenced employee behavior and the store atmosphere. Based on their career goals, Jenny and Lisa developed differential interpretations of two core principles of the corporate ideology—that sales must be increased and that "Japanese-style" customer service must be provided. Whereas Jenny focused on customer service to secure her position, Lisa focused on sales.

Under Jenny, human relations were largely influenced by her reluctance to promote subordinates. Jenny sought to retain her position in the company; her major strategy in this regard was to focus on customer service in order to highlight her work performance to the company. She neglected raising subordinates and increasing sales. Human relations under Jenny were harmonious, although there were implicit conflicts between Jenny and her subordinates.

Lisa was aggressive in regard to sales but neglected customer service and human relations within the store. This was because she believed that sales were the company's major concern and an important criterion for promotion. Under Lisa, relationships among employees were unharmonious; conflicts emerged among full-timers and between full-timers and part-timers. Many full-timers were highly motivated by Lisa's strong support for promoting subordinates; however, the subsequent emergence of clear conflicts of interest spurred public conflicts among full-timers. Lisa's overemphasis on sales to the detriment of human relations facilitated a detachment between Lisa and her subordinates; this contributed to the emergence of direct conflicts between full-timers and part-timers.

Jenny and Lisa's different interpretations of the corporate ideology significantly influenced human relations at the store. This shows that the role of store managers should not be underestimated: in terms of behavior and ideas, the store managers were influenced by the corporate ideology, but they also negotiated and even redefined its meaning.

Conclusion

Using an anthropological approach, this paper investigated a Japanese fashion retailer, Ichi, to examine the formation of a corporate ideology and how different interpretations of this corporate ideology facilitated different human interactions. Its corporate ideology, which the company refers to as “Ichi DNA,” is inclusive of a system of meaning, beliefs, and values centered on the Global One concept, based on which the company has sought to disseminate a standardized Ichi ideology worldwide. This corporate ideology has been defined and redefined based on the strong and unique beliefs of the company’s founder and the historical development of the company overseas. Ichi’s founder has emphasized that the company’s Japanese DNA and rapid growth should be retained as its core principles. Confronted with undesirable results in the UK and mainland China, the company was unsure of the legitimacy of its corporate ideology. However, having made enormous profits in Hong Kong since the first year it opened stores based on the Ichi ideology, Ichi has exhibited a renewed confidence in disseminating this idea to every one of its stores in the world.

In the dissemination of the Ichi ideology, store managers serve as mediators between the company and stores. The Ichi ideology emphasizes two core principles: that sales must be increased and that “Japanese-style” customer service must be provided. This paper described in detail how two store managers who worked at the same store differently interpreted the Ichi ideology, giving rise to different human interactions. The first store manager, Jenny, focused on customer service because she had less confidence in regard to sales and felt that it was unnecessary to pay attention to sales. She demonstrated standard customer service on the shop floor to become a model for others and treated employees differently according to their customer service performance. Though many employees complained about Jenny’s managerial abilities, overall, human relations at the store were relatively harmonious.

When Lisa, the second store manager, took over from Jenny, this atmosphere gradually changed. Lisa focused on sales, paying nearly no attention to customer service, because she had become a store manager by using this strategy. Because Lisa believed that the ability to increase sales was premised on experience, she aggressively promoted subordinates and assigned them various tasks. This eventually gave rise to unharmonious relationships among motivated full-timers and between full-timers and part-timers. Conflicts of interest erupted among motivated full-timers because they did not want others to interfere with their work on tasks assigned by Lisa, for fear that they would lose out on chances to demonstrate that they were capable of achievement and to be recommended for promotion. Hostile attitudes among full-timers to some part-timers partially resulted from Lisa’s neglect of all other issues apart from increasing sales.

This paper implies that corporate ideology cannot be considered to absolutely dominate human interactions. At Ichi, the corporate ideology was disseminated but did not necessarily become ingrained or unquestionable in the minds of employees. As Wong (1999:199) states, “power is culturally mediated and thus has differential effects on different groups of people.” Consequently, it is important not to overemphasize the role of power; it is essential to consider how power is transmitted through culture and takes a distinct form in different

cultural contexts. In addition to the influence of corporate ideology, how conflicts of interest among employees influence company managerial practices should not be dismissed.

Integrating one company through disseminating unified corporate ideology is not an easy task to accomplish; however, in the context of Ichi, the store manager could be a key mediator for achieving this goal. In order to facilitate the progress of integration, the company should provide store managers more opportunities and comfortable space to discuss the problems the stores face. There were monthly store manager meetings and some irregular training; however, store managers often did not discuss their problems with others. It is important that the company takes seriously their problems and offers help when necessary. This might seem to be common sense; however, it is often overlooked in practice. This might provide store managers with greater sense of belonging which results in better support from them. The most important point is that the company should observe carefully every step and influence their practices made to the stores.

This paper has used the case of Ichi in Hong Kong to suggest the importance of examining employee relations together with the company's formal policy to understand the ideology of the company. As corporate ideology changes over time, it is necessary to conduct follow-up research to find out what changes the company faces in accordance with the changing social and political environment in Hong Kong. Future studies will benefit from comparison with other companies to further understand this dynamic and complex corporate culture.

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