

Project management in Japan

Aaron McCain, head of project management in our Tokyo office, compares project management methods in Japan with those in the West.

The world will, hopefully, come to Japan in 2021. Millions of sports fans, tourists and others are set to attend the XXXII Olympic Games in Tokyo, postponed from this year because of Covid-19. It will be the first time the country has hosted the event since 1964.

When the visitors arrive, they will find a country that is not only welcoming but also highly sophisticated, ordered and safe. And they will be able to take comfort in the fact that they will be in some of the world's best constructed buildings.

Japan's construction sector can boast the very highest standards. Planning is meticulous, safety comes first, and there is little or no room for error. The way in which the system operates, however, can come as a surprise and sometimes a frustration for organisations used to doing business in countries such as the United Kingdom or the United States.



*Currie & Brown provided project management services on the temporary hospitality pavilion for the 2019 Rugby World Cup.
Photo courtesy of STH Japan.*

Nearly all of the formal project specifications in Japan are set out at the very start, and with very few shortcuts. To those used to looser and more ad-hoc ways of contracting and working, this can come as something of a shock, and it means that a lot of patience is required.

It's cool to be cool

Japanese culture also embraces politeness at its core and saving face (mentsu) is important. Losing your cool or showing flashes of temper may not be uncommon on western building projects, but here it would be seen as impolite and unprofessional.

To the outsider, getting all the details in place at the beginning of a contract may seem to take an inordinate and frustrating amount of time. But this early methodical approach avoids delays further down the line. Once consensus is achieved across disciplines and the build begins, work then tends to go like clockwork, with very few delays caused by planning mistakes.

In countries such as the UK and US, consultants may be told to draw up the broad project design at the start, with details to be worked out later. That approach would not be adopted in Japan. Everything has to be agreed and signed off at an early stage.

Regulatory clearance and approvals may also seem painfully slow. Japanese officials are, however, diligent and want to look at all the fine details before giving permission to proceed.

If there is a blockage at official level, trying to circumvent the bureaucratic system by going directly to senior politicians and leaders to negotiate or gain exceptions is unlikely to yield positive results, as they will just pass the case back to junior colleagues, who are creating the hold-up in the first place, to gain their blessings.

Risk and reward

Another significant difference in the Japanese system is that the legal framework tends to place a greater burden on contractors. They are required to submit detailed quotes and schedules for all the items involved, with little room to negotiate afterwards if there any omissions.

If they fail to include everything in their tender package, they are likely to be liable for the extra cost of rectification. So for obvious reasons, they want to remove as much risk as possible and are very detailed and professional.

If contractors feel too much detail is missing in a tender document due to expedited design processes, they will either submit an extremely high bid to cover their risk or they will refuse to quote without further clarifications. This will extend the tender period accordingly and erase time 'saved' out of haste.

This culture of caution extends across all the stakeholders in a contract. In the West, the approvals required as elements of a project pass through an organisation's hierarchy are often rubber-stamping exercises.

Again, in Japan things are very different. The details are examined closely at every stage in the approval process, with a keen eye for omissions or errors. Officials and contractor teams have to explain things to their seniors and answer any questions raised. Once again, face-saving is important, and time has to be allowed for the completion of this process.

On the other hand, developers who wish to rush the tender process find frustration when negotiating and agreeing on costs, which are often shockingly high for the first submission. Time is leverage - being impatient or hurried results in higher costs and more frustration. Again, patience is required to achieve the desired balance between scope and value.

Stay calm...and win

Developers need to be unfazed about all this and take it in their stride. At the end of the day the process works, and the meticulous attention to detail at the outset saves issues and delays appearing later. The overall length of time taken from start to finish on a construction project actually works out very much the same as it is in other parts of the world.

This approach may be unfamiliar to construction professionals and consultants who are keen to start putting concrete into the ground, but there are good reasons for the process in Japan, some of which go beyond the local culture.

Japan is located in one of the most active earthquake zones on the planet, with many seismic events every year, some of them devastating. This, and the accompanying risk of fire and other disaster events, is factored into building standards and helps to explain why they are so rigorous.

When dealing with the construction sector in Japan, patience really is a virtue and does have its rewards. Those who stay calm and work with the system rather than against it will find their constructive attitude rewarded with seamless working, fantastic execution and a very high level of craftsmanship. You could set your watch to a contractor's schedule.

At the end of the day, any frustration at the beginning of a project will normally be compensated with satisfaction at the end. The need for patience at work and home is further reinforced during this time of a global pandemic — we cannot rush the virus or a cure.