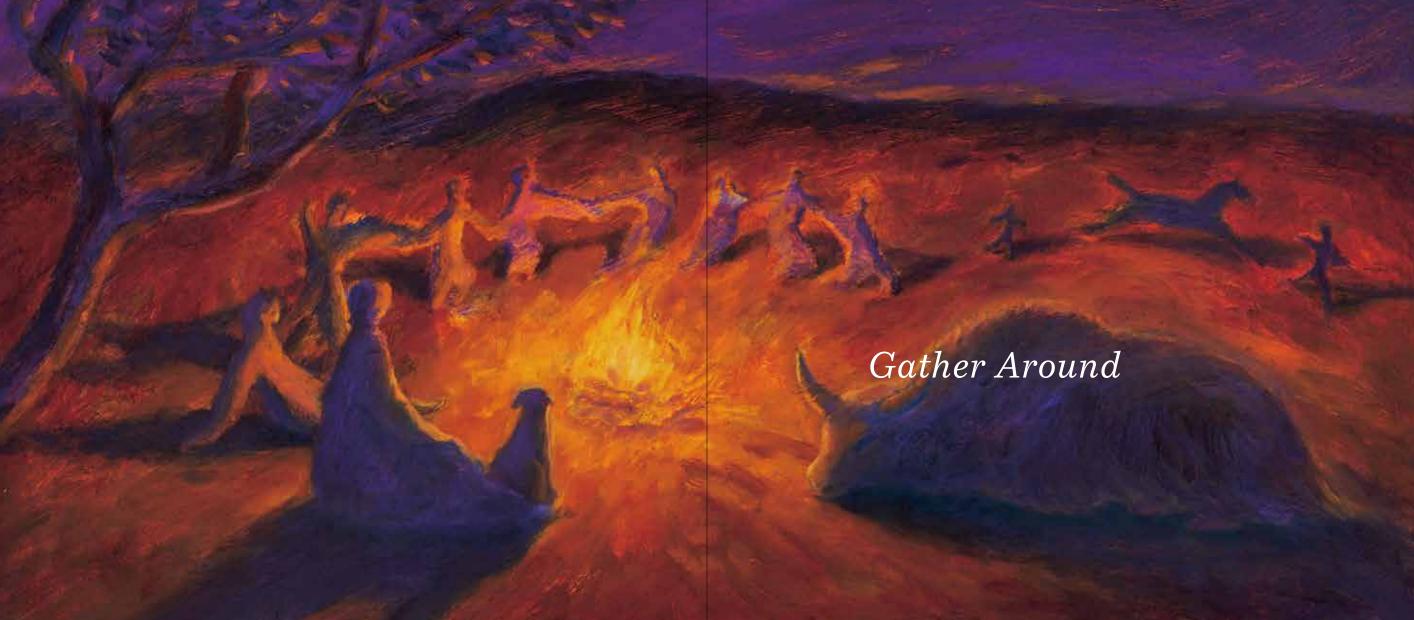
# Gather Around, See and Make

JOHNAN Founder Matsuo Yamamoto's Story of Three Ultimate Mindsets







Long ago, in the early 1930s, there was a boy working at a clothing store in Japan.

——— Something smells good...

That's supper.

The long day is over.

He lived in the store owner's house.

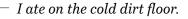
The boy worked from early morning to late evening.  $\,$ 

After supper and bath,

it was already in the middle of the night.

He crawled into his hard bed and

thought back on his day.



I took a bath after all of them, but the housemaids had theirs much later.

Why?

Why can't we eat the same meal in the same room as the owner's family? Why are the housemaids the last to take a bath?

Why do people look down on others?

These simple questions that came up in the boy's mind never faded away. Many years later, the boy grew up to run a business himself.

The clock struck noon.

The workers gathered around a big table.

Time for a nice chat over lunch.

The man talked to them all at the table:

Each of you is blessed with amazing potential.
 I want you to cherish your gift and nurture it through work.
 Why not respect each other
 for the wonderful treasure you were born with?

In this way, his simple questions as a boy guided him to a table to share with all.



# To "Gather Around" Is the First of His Three Ultimate Mindsets

# Respect for people's dignity lies at the core

Matsuo Yamamoto, the founder of JOHNAN Corporation, served his apprenticeship in his boyhood.1

In 2002, the man looked back on the days when he devoted all his time to training to be a tradesman, saying:

"I used to be an apprentice. In those days, we apprentices were not treated as human beings. When we ate, for example, we sat with one knee raised on the earthen floor. We were not even given a tray—a kamachi served that purpose.<sup>2</sup> I'm not sure if that was the case in all the stores, but at least it was where I worked. Also, the food served was different. We woke up at six in the morning and worked until eight at night. We barely had time for ourselves after eight, but there was a set order of who could take a bath: apprentices were the second from last, and housemaids were the last. In short, there was a hierarchy: the master at the top and then the head clerks—to be more precise, the first head clerk ranked ahead of the second head clerk and then the next—and it went all the way down to the apprentices and the housemaids. People were treated differently depending on their rank, and the gap seemed to me to be too wide.

This experience gave me the strong impression that whatever position you

Matsuo Yamamoto was born in 1917 as the eldest son of eight siblings in Tengachaya, Tennojicho, Sumiyoshi-ku (today Nishinariku), Osaka City. When he turned six, the family moved to Hyogo Prefecture, and the boy graduated from elementary school in Hirotani, Yabu-cho (today Yabu City). At 14, the boy was sent out on an apprenticeship at a clothing store in Kyoto (instead of joining an iron factory), which his aunt arranged out of concern that this nephew of hers had not been in very robust health since his infancy. Source: Keisho Kara Hatten He ("pass it on for further growth") (pp. 16-17, 1993)

The dishes were placed directly on the kamachi, or the edge of the passage floor where people stepped from the earthen floor where they took off their shoes and left them.

Quoted from Korekara ("toward the future") (pp. 34-35, 2002)

### Warm corporate culture where all gather around for a friendly conversation

are in, you should respect people's dignity and treat others as equal human beings."3

When Matsuo Yamamoto opened a clothing store on his own<sup>4</sup> at the age of 31, he turned this determination into action: to respect people's dignity whatever position he was in.

"I opened a clothing store, and it grew to have over a dozen clerks. They called me boss, but I always ate the same meals as they did—never anything else. That was my firm conviction."5

He later established JOHNAN Electric Co., Ltd., where he consistently followed the policy he had developed out of his childhood experience as an apprentice: to maintain a warm corporate culture where all workers gather around a table to share a meal and friendly conversation.

"When I set up this company, I thought the same things as I had before: to embrace a spirit of respect for people's dignity; create a warm humane culture across the company; and encourage employees to respect each other and fulfill their responsibilities. These are my personal convictions, so I never change my attitude wherever I go, in our firm or elsewhere. When I visit some other company, I bow to the female receptionists there and greet them as politely as I do to the president of that company. Once I promise something to someone, I faithfully keep it whoever the person may be. I believe

In Yoka-cho, Hyogo Prefecture, a town that flourished with paper and silk fabric manufacturing industries, the founder started a clothing business, which he learned about during his apprenticeship in Kyoto. While the company performed well as a retailer of ready-made clothes, it later also expanded its marketing network as a tailor specializing in menswear; the founder (aged 31 at the time) liked making things with his own

Ouoted from Korekara (p. 35.

12 — Mindset 1: Gather Around

that such consistency wins people's hearts and minds, and ends up gaining support for our business."6

The warm corporate culture flowing from mutual respect and the founder's words and deeds emanating out of respect for people's dignity in all situations have opened up close connections with a variety of people.

Kazuo Inaba, who joined JOHNAN (in 1972) in its infancy, says in retrospect that the corporate culture was very homey.<sup>7</sup> He also shares his memories of the founder's personality.

"Along the pathway from the parking lot, managers from Matsushita were standing to show guests the way to the party venue. He stopped to bow to and greet every one of them, while all the other company presidents just strode along proudly with their heads high. Those who went with him, including me, felt awkward and wanted to walk away quickly, but he lowered his head and stood as still as a statue," Inaba recalls, smiling at the memory, "showing his appreciation for each of the managers, saying, 'Thank you for your warm welcome in such cold weather.' He was a man of such careful consideration." 8

While JOHNAN expanded its business domain and grew in size, the underlying mindset of "gathering around" never waned.

6 Quoted from Korekara (pp. 35–36, 2002)

On Christmas Day, the workers finished work by noon. They enjoyed tea and cake, and listened to some words from the Bible. Source: Back to a Venture (p. 20, 2012)

8-1 Quoted from Back to a Venture (p. 20, 2012)

8-2
The New Year's party in 1972
(commemorating the fifth
anniversary of JOHNAN's
founding) gave a glimpse of the
founder's policy of respecting
people's dignity and gathering
around a table to share a meal. The
venue was a prefab building on the
premises, which was temporarily
named "Matsukaze Tei," as if it
were a fancy restaurant. After a
policy speech, everyone enjoyed a
social gathering over sukiyaki and
a chicken hotpot. Source: Keisho
Kara Hatten He (p. 51, 1993)

### Mindset 1: Gather Around

— respect for people's dignity, a warm culture, and fulfilling responsibilities

Whatever position you are in, you should respect people's dignity—behind this firm belief of Matsuo Yamamoto lay his childhood experience of the dining table as an apprentice (his bitter experience of not being treated as a person and not being allowed to share the table).

Out of this personal creed, the founder of JOHNAN formed Mindset 1: Gather Around, to be more specific, gather around the dining table, with which he fostered a warm corporate culture where all people, whether inside or outside the company, could engage in heart-to-heart conversations on the job as companions.

This story of the founder's mindsets began with what the boy felt at his humble "dining table." As the story unfolds with the evolution of JOHNAN, the people gathering around the table would increase in variety—workers and their families, competitors producing similar parts, and new business partners—and so would the products they gathered around to produce. A milestone in this journey would be his encounter with God.

The founder hoped that the people who gathered around at JOHNAN would fulfill their responsibilities. What responsibilities should they fulfill? Well, you may find out what he meant by looking deeply into the next mindset.

Q.
What do you think it means to fulfill your responsibilities as a person or as a worker?
Please take a moment to think before moving on to Mindset 2.

14 — Mindset 1: Gather Around







After returning home from the battlefront, the young man set up a company.

——— How fortunate I was . . .

He couldn't believe his luck.

The long, painful war was finally over,
and he was home again, safe and alive.

Now as a businessman, he came up against one problem after another.

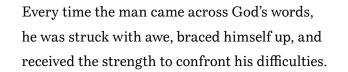
- It's as if something invisible is guiding me through it all.

He realized with a start.

My encounters with so many people and their support have made me who I am today.

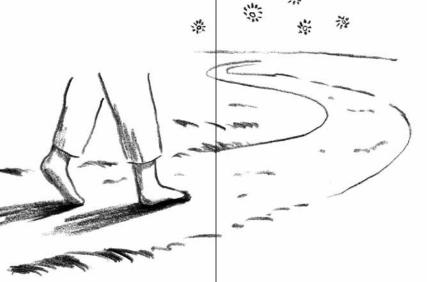
Maybe all the difficulty and pain in my life's journey have been given to me by divine intervention so that I may overcome them.

"God is faithful, and He will not let you be tempted beyond your ability, but with the temptation He will also provide the way of escape, that you may be able to endure it."



——— My life and sufferings are all gifts from Him.

A realization that he lived under divine guidance filled up the man's heart with deep gratitude.



The man's wish to feel God closer to him led him to daily prayers.

# One day,

the man was fascinated by an image of the Earth seen from outer space. The blue planet was floating and sparkling in the vastness of space.

—— How beautiful . . .

I never realized we are given such a beautiful world to live in.

If this planet, and the destinies and ordeals in life are blessings from Heaven,
I suppose each of us, who has been given life in this world, including me,
has our own mission to fulfill.

A new question took shape in his mind.

The man looked deeply into himself and asked the question to God:

Each of us has been given great potential and a mission from Heaven.

Aren't we responsible for
being aware of these gifts and making the best use of them?

The man wrote a lot in his diary, engaging in repeated dialogues with God.

— God has given us responsibilities to fulfill, and
our missions from Heaven lead society to a better place.
I hope to figure out my company's mission and complete it.

This wish of the founder has been passed on as a guiding light in the operation of the company.

# "See" a Wider View and Take a New Look at How an Individual and an Organization Should Be

### The man became aware of the invisible world

After serving in a couple of wars in his young adulthood and running a clothing store, Matsuo Yamamoto, the founder of JOHNAN Electric Co., Ltd., started to embrace Christianity. His Christian faith grew into a very solid foundation for his life, career and management philosophy.

"My faith in God has been my greatest support over the past 40 years: to this day, it has calmed my anxieties about business operations and has been the pillar of my inner life. Christianity has made me realize that there is something other than the visible, physical world—an invisible world where you can do nothing without the hand of God. Such faithfulness from God has been a steady rock for me."<sup>2</sup>

"When I say my prayers, I often feel that God is supporting me physically and spiritually with His great hands. I am overwhelmed with gratitude to Him. Looking back over the 40 years since the start of the company, I'm deeply aware that my Christian faith has consistently supported me up until now."

Matsuo Yamamoto developed his thinking about how an individual and an organization should be, not only from a business perspective but also from the wider

"I was born into a family of the Buddhist faith. Besides, as the eldest son, I was responsible for the memorial services for our ancestors. So, at first, I had difficulty accepting Christianity. My children started going to church first, and then my wife did [. . .] As I hit middle age, I was interested in how we should live and where we go after death. It would be too bad if our family couldn't meet again in the afterlife. So I thought maybe I should go to church once." Quoted from Korekara (pp. 20–21, 2002)

Quoted from Korekara (p. 20, 2002)

Quoted from Korekara (p. 23, 2002)

view that the world was created by God.

### Individuals should make the best use of their potential

He says that each person is blessed with great potential and is therefore responsible for realizing this potential and making the best use of it.

"You must not leave your great potential undeveloped. If we join hands with each other and each of us spares no effort to live a better life in a good environment. I'm sure we will be able to move mountains."

The chapter on Mindset 1 quoted the founder's wish that individuals would respect each other's dignity and "fulfill their responsibilities." Behind these words lay his belief that each person should realize that great potential in their body and mind<sup>5</sup> are blessings from God, and is responsible for making active efforts to make the best use of their potential, as mentioned above.

4 Quoted from Joyu (1988)

"In spiritual harmony and heartto-heart communication lies the promise of future progress. To put it plainly, business is a battle. Tomorrow is not promised. However, we are equally blessed with a body and wisdom from God, and it is entirely up to you whether you use

them or waste them." Ouoted from

Joyu (1990)

### The organization found its mission under supernatural guidance

If each member of an organization accepts the workings of the universe given by the Creator and fulfills their responsibility for making the best use of their great potential, the organization will, under supernatural guidance, figure out its mission and how the organization should be, as Matsuo Yamamoto learned through experience.

"While I served in the war, I fell into a life-and-death situation many times and wondered if I would see tomorrow or not. This experience taught me that no matter what the situation may be, no one can live entirely on their own. [...] I went to war twice and returned safely twice, but this was not what I had arranged for. Actually, there was various supernatural guidance behind it. [...] I just want you to know that there is something powerful like a destiny or some workings that are invisible to you."

"I saw a picture of the Earth taken by a camera on the Space Shuttle
Discovery. Our planet was floating and sparkling beautifully in the pitch
darkness of space, and I was touched every time I set my eyes on the picture.
We people today are lucky and happy to be able to feel familiar with the
mysteries of the universe while sitting in the comfort of our home. That is
nothing but the work of God, and it takes my breath away." 8

"As I spent my days praying to God and receiving encouragement to make products, my mission as a maker and my mission as an entrepreneur<sup>9</sup> took shape within me, and I started to devote more serious thoughts to encounters between people." <sup>10</sup>

When Matsuo Yamamoto was 20, the Sino-Japanese War broke out. As a member of the 40th Tottori Infantry Regiment, he served in the war for one-and-a-half years. Six months later, he was called up again, but thanks to Major General Kataoka's thoughtful consideration, the young foot soldier received preferential treatment as the eldest son of his family and returned to his homeland before the war was over. Source: Keisho Kara Hatten He (p. 17–18, 1993)

Quoted from Korekara (p. 227–228, 2002)

8 Quoted from Joyu (1999)

Masaru Yamamoto (JOHNAN's second president) shared the words of the late founder in an interview (in 2018): "He used to say, 'You may wish to do this and that, but you won't be able to do it no matter how hard you try unless God and His will are behind it.' He pointed out one more thing: 'The purpose of business is to demonstrate the glory of God. A company does not grow in order to fatten the pockets of the management. A company does not exist for the personal greed of the founder or the president."

Quoted from Joyu (1988)

### Mindset 2: See

— workings of the universe, supernatural guidance, and missions

How should a person, an employee, a company and society be? How do the world and the universe work? Through the process of deepening his cosmic perspective, Matsuo Yamamoto formed Mindset 2: see, to be more specific, see a broader view. When individuals and organizations accept the workings of the universe, they will figure out their missions under supernatural guidance. His journal, in which he wrote a lot especially in his closing years, contains his thoughts related to this mindset as well as verses quoted from the Bible.

Religion tends to be considered that which helps one look into one's inner self and ask oneself how one should be. In the case of Matsuo Yamamoto, it seems that religion also helped him communicate with the invisible world given by God.

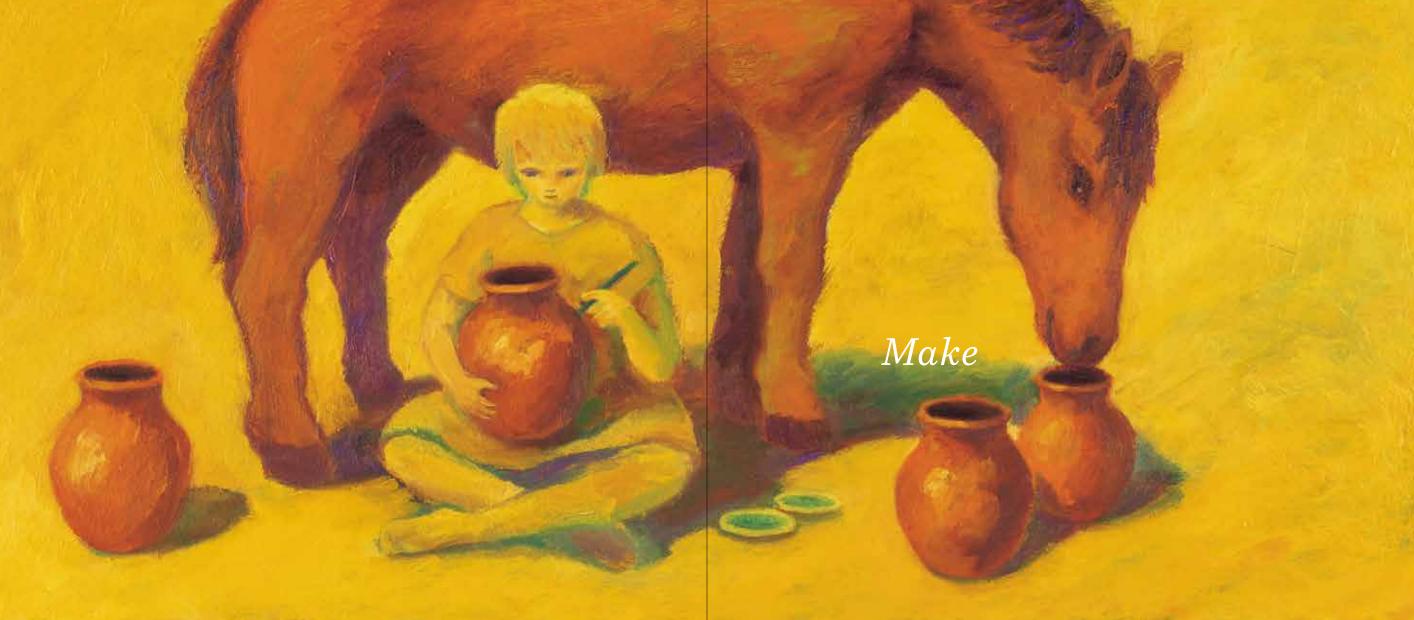
His journal served as a channel through which he reflected on himself and felt sure of the unchanging workings of people, the world and the universe amid all the changes of the times.

In the following pages, you will look deeply into the third and last mindset of the founder, with which one should look at the world from a broad point of view and aim to do something no one has ever done.

Q.
Do you have a channel through
which you can have a deep
dialogue with yourself or a place to
exchange thoughts and ideas with
others to look back on yourself?

What channel or place is it?

28 —— Mindset 2: See







Some encounters inspired the man to take a new step forward.

——— This is it!

The man encountered world-changing technology.

He took the path of pouring his heart and soul into making new products.

———— I'm going to make this my lifetime work.



The man met people who worked with integrity.

He was impressed by the way they worked and wanted to do so himself.

——— This is how I should be.

Day after day, they produced electronic parts with integrity and enthusiasm. As a maker, they worked hard with their soul and prayers to make sure that they offer the best products.

Our love and life residewithin every item we make.May the products be of service to the world.



The man devoted his whole life to this work.

36 —— Mindset 3: Make

As the man went through life with the company, he always told himself to do the following:

Treat others with respect.

Carry out the mission given to you.

Make products with your soul and prayers.

These daily deeds ended up earning trust from others, and helped the company out of crises.

A close connectionwith people leads to business opportunities.

The man believed that if all who came together reached their full potential, there would be power to create something new.



I'm sure that as we push ourselves ahead like this, there will be a light to guide our way, and doors will open up for us.

38 - Mindset 3: Make

# With the "Make" Something New Mindset, JOHNAN Keeps Striving to Open up New Frontiers

## Be aware of your calling from Heaven and see the job through

The founder's encounter with a world-changing technology<sup>1</sup> inspired him with the third mindset: make, or to be more specific, aim for something no one has ever done to make new values.

"The moment I saw the job offer [for transistor component assembly], I felt my heart burn with passion. I was convinced that I was meant for the job, and I put all my energy into it. Then I made up my mind to do it as my lifetime job and never to go back to the clothing business. In those days, I was just starting in my Christian faith. I prayed every day, 'Dear Lord, please let me keep this job for the rest of my life as my calling from Heaven.'"<sup>2</sup>

The founder looked back on his encounter with transistors, saving, "I was once in Yoka Town's volunteer fire department. One of the members of its branch, a son of a wholesale dealer in Toshiba products, brought transistor samples to our meeting one day and asked me whether I had ever seen such things before. I said I hadn't, and asked what they were. He said they were called "transistors," and that they were not on the market yet but would take the place of vacuum tubes in the future. That was my first encounter with transistors, and I remember it very clearly. You may call it a strange fate." Ouoted from Korekara (p. 11, 2002)

Quoted from Korekara (pp.186– 187, 2002)

### Make products with all your soul and prayers

The founder pushed forward with manufacturing as his calling from Heaven. He seriously pondered what high quality products were, and poured all his soul and prayers into them.

"Believe that inanimate objects have a life of their own. Within each object, even an electric part, resides the love and life of the person who made it. If you put your soul and prayers into the parts you make, they are not mere objects but things with life in them. Conduct manufacturing with this attitude, and you will naturally feel like taking good care of the machines and materials. Then, you will have products of excellent quality, with no defects."

"When I delivered products, I always thanked the clients and also prayed that the products would be of service. What about you? With what feeling do you deliver products and have clients purchase them?" 4

"Clients' expectations motivate us to make products with passion and joy.

Then, our expertise grows, and our efforts bear fruit in the form of excellent products." 5

This attitude toward manufacturing as well as the excellent quality of the resulting products formed a close connection with those involved and opened up business opportunities and relations with new business partners.

"When there was no prospect of getting another loan and we were doomed, the president and other executives of Matsushita Electronics Corporation, one of our business partners, extended to us the biggest helping hand at the last minute. When they found out about our plight, they did us a special favor—they examined our situation and gave us guidance and a chance to get back on our feet. I can never forget how thankful I was. [...] Every time I

3 Quoted from Joyu (1995)

4 Quoted from Joyu (1995)

5 Quoted from Joyu (1990)

40 - Mindset 3: Make

look back on it, I am filled with deep gratitude for the strange fate and their thoughtful consideration."<sup>6</sup>

Quoted from Korekara (pp. 16–17, 2002)

### Accomplish your mission and aim for something new

The founder strove to make things that were completely new to most people. For example, the company opened Kohitsuji Nursery School, introduced a widow's allowance,<sup>7</sup> and produced photovoltaic cells. He believed that if he fulfilled his mission despite various obstacles and ordeals<sup>8</sup> and aimed for something new, doors would open up for him.

"I'm afraid that JOHNAN Electric will remain a subcontractor forever at this rate. Well, it's not too bad to remain as it is—we partner with respectable companies, and that's really something. As long as we stick to them and meet our responsibilities as their partner, we can manage the company quite well, but that wouldn't be fulfilling from a human viewpoint. So we should add something new. I'd like to hear someone say someday that JOHNAN Electric has created something great besides working on semiconductors and electronic parts. That's my dream, and we should aim that high."9

In April 1972, JOHNAN established an in-house nursery with a cute name ("Kohitsuii" means "lamb"). inspired by childcare centers that churches ran as an incidental charitable business across Japan. To single mothers working for the company, JOHNAN also gave a widow's allowance, which was at least as much as a full attendance bonus. These systems, which were unprecedented in those days, were natural expressions of the founder's compassion and warm personality. Decades later, he met one of the infants who were taken care of at this facility again when she was past 30. She talked to him nostalgically about it, and he was "deeply touched" by the reunion. Source: Keisho Kara Hatten He (p. 52, 1993)

8
"I often suffer ordeals, so I am
cheered up by these words from
the Bible: 'God is faithful, and
He will not let you be tempted
beyond your ability, but with the
temptation He will also provide
the way of escape, that you may be

### Mindset 3: Make

— figure out your calling from Heaven, exert all your effort, and make something new

His encounter with transistors led Matsuo Yamamoto to his calling from Heaven. Based on his own passion, the founder stressed that you should put all your soul and prayers into your work. Beyond such devotion, he asked himself and the employees to aim for something new, or something that no one has ever done.

In this way, through dialogues with God, the founder built a vision (way of looking at the world), <sup>10</sup> which was neither naive idealism nor harsh realism but a good balance between the two, and promoted Mindset 3: make, or to be more specific, make new values.

These three mindsets (Gather Around, See and Make) are interlinked. Each of us should respect people's dignity and fulfill our responsibilities. Regardless of whether you are an employee or an executive, you should always have a cosmic perspective and keep your view wide open. Fueled by your vision and the passion that wells up in you, you should make something new to bring it to the world. It is important to keep all three mindsets at the same time in any situation, even amid an inner conflict. This ultimate, multifaceted way of thinking is unique to the founder of JOHNAN.

Cherishing the founder's three mindsets as an unchanging core of the JOHNAN Way, we shall combine our efforts to create a new version of JOHNAN.

able to endure it.' (1 Corinthians 10:13)" Quoted from Korekara (pp. 22–23, 2002)

Quoted from Korekara (p. 190, 2002)

Th

The word "vision" may remind you of a corporate vision, but in Christianity, it means a vision of something that is not there at that moment but is presented to a prophet by God as a new path to follow. In that sense, through his repeated dialogues with God, the founder built a vision (way of looking at the world) to make something new.

Q.

What vision (way of looking at the world) do you want to build? With whom do you want to fulfill it?

42 — Mindset 3: Make

### Gather Around, See and Make

JOHNAN Founder Matsuo Yamamoto's Story of Three Ultimate Mindsets

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### The "Pursue the JOHNAN Way" project

"Pursue the JOHNAN Way" is an R&D project that started in 2018. It aims to trace the company's roots that underlie the JOHNAN of today; extract and express what makes the company JOHNAN; and envision an even better version of the company. As the core of the JOHNAN Way, the project focuses on the sense of value the JOHNAN founder Matsuo Yamamoto developed. The project team has collected anecdotes about him, episodes in his life, and entries in his journals; sorted them out; and compiled them into specific phrases and allegories, including the "Three Ultimate Mindsets" and the "Five Views." The team has also produced this picture book, a JOHNAN Way learning database, and other tools to share his sense of value with people inside and outside the company. These resources are also used in the "Pursue the JOHNAN Way Seminar," a training program mainly for the management and managerial staff.

The project encourages each person to apply the founder's sense of value (the core of the JOHNAN Way) to their own decision making, response to changes, and dealing with inner conflict. Besides these activities, the company will continue to pursue the JOHNAN Way, which develops with the times. Join us in the journey.