

From Works Manager Development to Global Leader Development
-Historical Analysis of Hitachi's Executive Education and its Overhaul from the
1960s through the 2000s-

Hiromichi Hasebe (Kyorin University)

In this paper, we focus on the executive education system of Hitachi Ltd. and analyze its character, and the context of its reforms from the 1960s through the 2000s. Recently, large corporations around the world have been focusing and investing greatly in education of executives, like GE's Crotonville, for example. This kind of educational system is called a "corporate university" and the curriculum resembles that of the MBA course at Business Schools. Companies began to concentrate on such education because top-down strategy-making became necessary due to downsizing and restructuring during the 1980s and globalization after the 1990s.

Actually, Hitachi established its own executive school "Hitachi Institute of Management Development (HIMD)" in 1961, five years after GE founded Crotonville. However, during the 1960s and 1970s, they expanded the target from executive leaders to lower level managers and chiefs, and even managers and middle managers in its affiliates. This means that HIMD did not concentrate intensively on executive education, while GE was struggling to reform its education system through the institute, in order to select next generation leaders.

Interestingly, at Hitachi, this movement towards reform was finally realized from the late 1990s to the 2000s. The timing of this reform was nothing but a lag behind the global situation. Why did such a lag occur?

To answer this question, we examine Hitachi's executive education system from two points. Firstly, we will figure out their traditional leader-training style for college-graduate white-collar workers (we call this the "Works Manager Development"). What skills, or knowledge did the company obtain from them? Secondly, we will figure out the factors that led to the executive education reform (we call this the "Global Leader Development"). The reasons behind the delay will also be considered.