

## **STRUCTURAL CHANGE IN SMALL AND MEDIUM ENTERPRISES IN JAPAN**

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## **I. Growth and Structural Problems of Small and Medium-size Manufacturers**

### **1. Growth of Small and Medium-size Manufacturers and Economic Recession**

The manufacturing industry in Japan has shown a dramatic increase through a period of high economic growth, twice overcoming the setbacks because of oil crises.

During the period of economic growth the main focus of the manufacturing industry in Japan shifted from light industries such as textiles to heavy industries such as the iron & steel industry, and then shifted further to the automobile industry, and the industry for the processing and assembly of semiconductors. The industrial structure in Japan adapted to the manufacture of value added products, and this contributed to a rise in income.

Looking at the diversification of enterprises and advancements into new fields in recent years reveals that a large number of enterprises are shifting to drastic growth industries such as electrical machinery, general machinery, and transportation machinery. A shift can be seen from the food, (livestock) feeds, drinks and tobacco industries to the general machine industry, and from the textile, garment and furniture industries to the electrical machinery industry.

Small and medium enterprises have also been diversifying and advancing into new fields, shifting from the material industry with a low growth to processing and assembly industries with a high growth. This has brought about structural changes of the industry and has contributed to an increase in production of value added products by the manufacturing industry as a whole.

## **2. Hollowing out of Industries and Small and Medium Enterprises**

As growth seems limited and uncertain, manufacturing industries (including processing and assembly industries) that have so far played a leading role in the Japanese economy have started increasing their overseas production. As a result, domestic production in Japan has been reduced, causing a reduction in employment opportunity, and creating concerns that technological base (level) is weakening.

It is a rational business decision for enterprises to make direct investments and to expand local production overseas in order to reduce costs and develop new markets. This contributes to the strengthening of an inter-dependence of the economy with Asian countries and the forming of an international labor division structure. All these lead to economic development and market expansion in these countries, and create new business opportunities.

## II. Progress in Overseas Production and Its Influences on Small and Medium Manufacturers

There seems to be two consequences as a result of the transfer of production, employment and technology from Japan to foreign countries: one is a reduction in the number of orders to small and medium-sized subcontractors, and the other is a reduction in shipment amount by small and medium enterprises, a reduction in employment and the transfer or discontinuance of business due to stronger competition with import goods.

### 1. Overseas Investment by Manufacturing Industries, and Effects of Exports and Imports

Overseas investment by manufacturing industries in recent years is growing rapidly with no end insights. The overseas production rate for 1994 was 8.2% compared to 7.4% for 1993 and 6.2% for 1992. This indicates a steady rise. Although the overseas production rate of Japan is lower than that of America and Germany, manufacturers are expected to expand their business overseas on medium-term basis.

*Graph 1: Change in Overseas Production Rate by Overseas incorporated Japanese Companies*

The overseas transfer by the manufacturers is likely to effect domestic production in the following manner.

- 1) The flow of capital goods from Japan, needed for establishing production bases overseas, may have an "export inducing effect on capital goods," causing domestic production to increase.
- 2) The flow of parts, used in local plants overseas may have an "export inducing effect on intermediate goods" boosting domestic production.
- 3) The goods produced overseas are substituted for goods conventionally exported from Japan. This has an export substitution effect, causing a reduction in domestic production.

- 4) The full scale overseas production causes the goods produced overseas to flow into Japan, creating a "reimportation effect," causing domestic production to be reduced.

## **2. Influence on Small and Medium Manufacturers**

With the sharp rise in overseas investment between 1986 and 1989, exports of intermediate goods including parts, increased drastically. There was slight decrease between 1989 and 1992, when the production of locally made goods was promoted. The small and medium enterprises in Japan seemed to have benefitted from the transfer of production bases to overseas in the form of increase of domestic production. However, domestic production has begun to decrease since 1992.

## **3. Influence on Employment**

The negative effect on employment is gradually increasing over the whole manufacturing industry. This is because of an increase in "reimport" having a negative effect and a decrease in the positive effects of export induction of intermediate goods". The same thing holds true in the case of small and medium manufacturers.

## **4. Export & Import Trend and Influence on Small and Medium Enterprises**

Small and medium enterprises have been greatly influenced by export reductions adversely effecting domestic production. Particularly the production of general machinery, electrical machinery and instruments, and transportation machinery and instruments.

The effects of an increase in imports causing a reduction in domestic production are more conspicuous in the textile industries, followed by automobiles and electric home appliance industries.

### **III. Changes by Major Manufacturers and Small and Medium Enterprises**

#### **1. Changes in Processing and Assembly Industry**

The processing and assembly industry includes manufacturers of automobiles and electric home appliances. These industries' industrial foundations lie in the small and medium enterprises, and they have been highly acclaimed as the leading industries in Japan. A large number of small and medium enterprises have promoted specialization of work to be competitive as subcontractors and form a broad base to support a few finished goods manufacturers. Such structure of specialization is going through changes due to various factors.

The reduction in the volume of orders is mostly attributed to low sales on the part of parent companies because of the long lasting business recession and the tendency towards market maturation. The reduction in domestic production due to overseas development by the parent company, in-house production by the parent company, reduction in number and type of parts used by the parent company, and the procurement of parts from overseas, have also contributed.

##### **(1) Restructuring of Parent Companies and Subcontractors**

A large number of enterprises are carrying out various restructuring programs to reduce costs due to the present business recession. These programs have an effect on their subcontractors. Restructuring that affects the subcontractors are in-house production of parts, use of common parts, reduction in the number of parts, reduction in product types, delay in model changing (extension in cycle, increase in procurement of parts from overseas, and increase in unit orders.)

1) In-house manufacturing (production)

In-house manufacturing has been adopted mainly to make use of surplus labor caused by the reduction in production amount of a company as the result of the business recession.

The current recession is significantly effecting large enterprises, causing surplus labor forces and causing a motivation for in-house production.

The main reasons for in-house production are: effective utilization of the company's labor force, preservation of the company's technical strength, maintaining the trade secrets.

2) Common use (standardization) of parts

In-house production is carried out to counter the circulative business recession, whereas standardization of parts and reduction in the number of parts is done to reduce costs due to environmental changes both in Japan and overseas.

The standardization of parts used in various products is aimed at reducing production costs through reducing the cost per unit as a result of mass production. This has led to an increase in the number of orders of some subcontractors, while others are having their orders eliminated.

3) Reduction in the number of parts

The reduction in the number of parts has hit subcontractors harder than the standardization of parts. Excessive reduction of parts may affect the function of the product, however, restructuring is expected to continue by reducing the number of parts as a part of the revision of design ideas.

4) Procurement of parts from overseas

Because of the high value of the yen and highly competitive Asian countries, a large number of enterprises have begun to procure the foreign made goods. This trend has grown even among the enterprises that had been using parts made by domestic makers including subcontractors. As a result, the volume of order received by subcontractors has

decreased, and small and medium-size manufacturers have been hit the worst. They must cut down the unit price to cope with imported goods.

(2) Increase of overseas production and its influence on small and medium-size subcontractors

The increase in overseas production by manufacturers of finished goods that has prevailed since 1980 due to high appreciation of yen, lowered during the current business recession.

However, the trend seems to have gained force again, with more and more makers finding their way into Asian countries, including China.

The subcontractors that were once asked to supply or consign of parts are having their order reduced or stopped due to the shift towards in-house production and procurement of parts from local enterprises overseas.

According to the report by the Japan Machinery Export Association on the influence of overseas development by parent companies on subcontractors, the current level of supply of main parts from Japan and assembly in other Asian countries covers 79%, but it is expected to drop to 59% in the future. While at the same time, the level of design in Japan and parts supply by local manufacturers is currently 41% and expected to increase to 59% in the future. It is expected that the supply of intermediate materials (goods) from the parts makers including subcontractors, currently exported will be replaced by local production overseas.

(3) Future prospect of subcontractors

In this seriously changing environment, it will be difficult for subcontractors to carry on their production activities as before. The parent companies are shifting their policy focus on subcontractors. They are giving more importance to overall corporate strength such as the capacity and technical strength to cope with cost reduction,



than to existing business and cooperative relationships.

The possible measures to help subcontractors cope with change are given below.

- 1) Upgrading technical levels and reducing costs through concentrated efforts on technical development and data collection in order to maintain the conventional relationship with the parent company
- 2) Diversification of the customers (clients) through development of new products in order to avoid the uncertainty of being dependent on orders from one company.
- 3) Promotion of overseas development (advancement) together with the parent company
- 4) Finding a way to expand into new fields, irrespective of the business category

*Graph 2: Restructuring Measures for Business Recession*

*Graph 3: Future Management Policies for Subcontractors*

## 2. Processing and Assembly Type Small and Medium-size Manufacturers

### (1) Automobile industry

The processing and assembly industry in Japan has a vertical division of parts supply and assembly. Take the automobile industry as a typical example. The automobile industry has a distinctive vertical division structure composed of parts manufacturers and subcontractors with the finished product maker at the top. Companies at each level are working on reconstructing programs to cope with the sluggish domestic market and depressed export business. The restructuring of the parent company affects the subcontractors to a large extent.

The restructuring from a managerial standpoint is also taking place to facilitate cost reduction (strengthening of VA/VE), reduction in

product type by parent company, structural renovation and consolidation of the company organization. It is believed that enterprises will rebuild management foundations through diversification of non-enterprise divisions, and integration and reorganization of production bases.

As for restructuring from a labor standpoint, various measures are being taken such as restrictions on overtime, in-house reshuffling of personnel, limiting of new employment. It is likely in the future that enterprises will pursue direct restructuring by reassigning part-time workers and dismissing regular workers. There is also the possibility of freezing equipment investment and shortening the operating time.

*Graph 4: Restructuring Measures for Business Recession*

*Graph 5: Yardstick for Selecting Subcontractors*

*Graph 6: Future Management Policies for Small and Medium Enterprises*

(2) Electric home appliances industry

The electric home appliances industry, equally to the automobile industry, is another leading industry in Japan, which has only a few large manufacturers of finished goods (products). This industry has a pyramid-shaped divisional structure with a large number of small and medium enterprises as subcontractors for the processing and assembly works. The divisional structure, form a rather shallow pyramid, whose base is made up of smaller scale enterprises than in the automobile industry.

With large investments made on equipment and large numbers of models produced during the so-called bubble economy, the electric home appliances industry fell into the high overhead category. Hence, restructuring measures must be taken to improve the profit-making structure in light of the recent sluggish business conditions. The main steps for restructuring are: promotion of in-house production, procurement of parts from abroad,

standardization (joint use) of parts, and reduction in the number of parts and product types. A special feature of this industry is the ability to adopt cheap parts from overseas.

These structural changes have caused orders to subcontractors to be reduced. As a countermeasure, subcontractors are diversifying their customers, reducing unit costs and reducing the number of personnel. It is important for subcontractors in the future to make an overall evaluation of their subcontractors adaptability for cost reductions, and technical strength, in order to maintain a flexible stance towards them.

*Graph 7: Main Restructure Measure for the Current Business Recession*

*Graph 8: Important Items for Selecting Subcontractors*

*Graph 9: Future Management Policies for Small and Medium-size Subcontractors*

(3) Machine tool industry

The machine tool, called a mother machine, contributes greatly to the improvement of productivity and processing technology in the machine industry. It is a key to the development of the machine industry. Japan is the largest supplier of machine tools, providing 25% of the world-wide machine tool production.

The machine tool production amount as relating to the trends in private sector equipment investment, is becoming drastically reduced due to sluggish investment. The machine tool industry is composed of a large number of contractors per enterprise with major manufacturers and a few small and medium-sized manufacturers of finished goods at the top, making a wide horizontal structure.

The manufacturers of finished goods are promoting restructuring to reduce costs, and most of them are performing in-house production, standardization of parts, and reduction of the number of parts and product types (models).

Under these serious condition small and medium-size subcontractors are developing multi-type and mass production system, diversifying parent companies and developing self-produced goods. They are also making efforts to secure skilled competent and experienced staff members and software engineers.

### 3. Small and Medium-size Material Industry Supporting the Manufacturing Industry

#### (1) Raw material industry supporting the processing and assembly industry

There are various raw material enterprises such as manufacturers of casting and forging items, die casts, pressed metal products, and powder metallurgy products, as well as allied industries such as metallic mold manufacturers and metal heat treatment manufacturers. These enterprises supply their products mainly to the processing and assembly industry, and are mostly small and medium in size. Because of being dependent on skilled labor force and their small to medium size, it is very difficult for these enterprises to make advancements abroad, however, they have the role of supplying high-quality raw material parts to the companies advanced overseas.

The casting and forging makers supply their parts mainly to the automobile and general machine industries while the metal pressing and processing manufacturers mainly to the automobile industry and electrical machine industries. Both of these manufacturers have undergone structural change because of the reduced demand in the customer's industry, high appreciation of the yen, and overseas advancement by their customers.

#### (2) Metallic mold manufacturers

According to the survey made by the International Metallic Mold Association, Japan is said to provide 50% of the metallic mold

production in the world. Press mold and plastic mold make up 80% of metal molds on a monetary basis.

These enterprises have been badly hit by the restructuring performed by the user industry as a result of the current business recession. The restructuring measures include reductions in the number of parts, standardization of parts, and extension of model changing cycle. The lowering of the order unit prices has also hurt these enterprises.

#### **4. Textile and Plastic & Metallic Goods Manufacturers Supported by Small and Medium Enterprises**

##### **(1) Textile industry**

Small and medium-size textile manufacturers have been recently confronted with the following managerial problems: lowering of the unit price at the time of receiving the order, increase in competition from import goods and older personnel. The textile industry has many other problems to face such as the rise of the textile industry in other Asian countries, increase in competitive imported goods, the active advancements in foreign countries, suspension and discontinuance of business. Imported textile products made up more than 50% of the domestic market in the fiscal year of 1993, and are still on the rise.

Future strategies for the textile industry in Japan are: building up of a system to adapt to the market needs, production of preferable products, overseas advancement and multi-type small-lot production, and being able to meet short delivery terms.

Under these conditions, small and medium-size textile manufacturers have started to place greater importance on: manufacturing of value added products, rationalization of management and cost reduction, development of new products, advancement into new fields, improvement of planning capacity,

and ability to respond quickly.

(2) Plastic and metallic goods industries

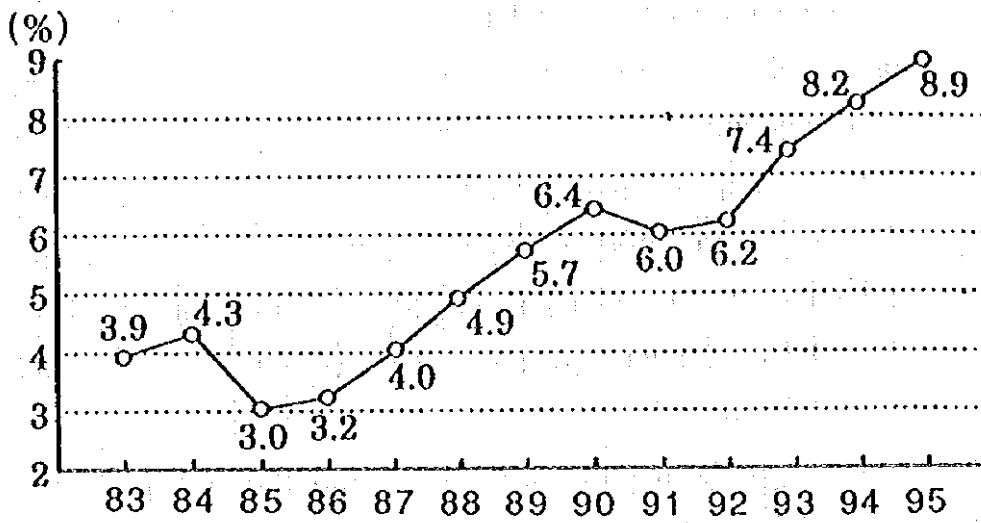
Common managerial problems with both industries are: lowering of order unit price, aging of personnel, and difficulty in securing labor supply (workers). The industries differ in how they are affected by restructuring of clients such as the overseas advancement, reduction and standardization of parts, and in the treatment of industrial wastes. The plastic goods manufacturers seem to be more inclined toward overseas advancement than metallic goods manufacturers.

Plastic goods makers are encountering large problems with industrial waste. As the people around the world get more conscious about environmental problems, the treatment and recycling of waste has become an important topic for small and medium-size manufacturers.

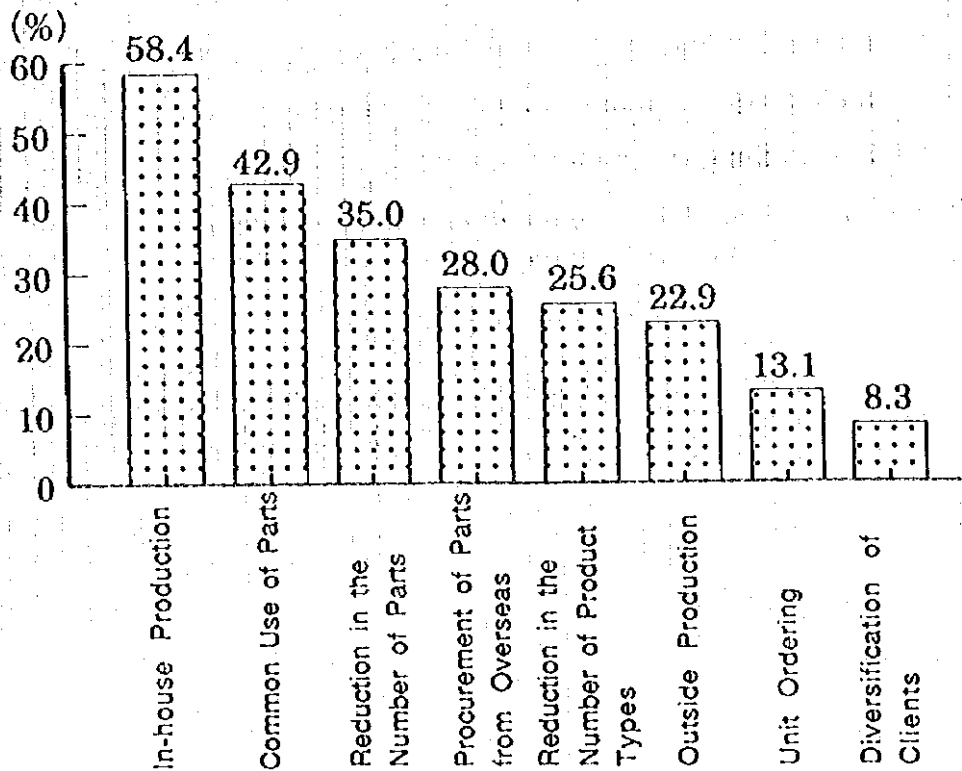
Both industries face the common problems of rationalization and costs lowering. Plastic goods manufacturers are putting emphases on the development of new products, making advancements into new fields and the manufacture of value added products, while the metallic goods manufacturers placing importance on the education and training of talented personnel.

*References: White Paper on Small and Medium Enterprises" by Bureau of Small and Medium Enterprises in 1995*

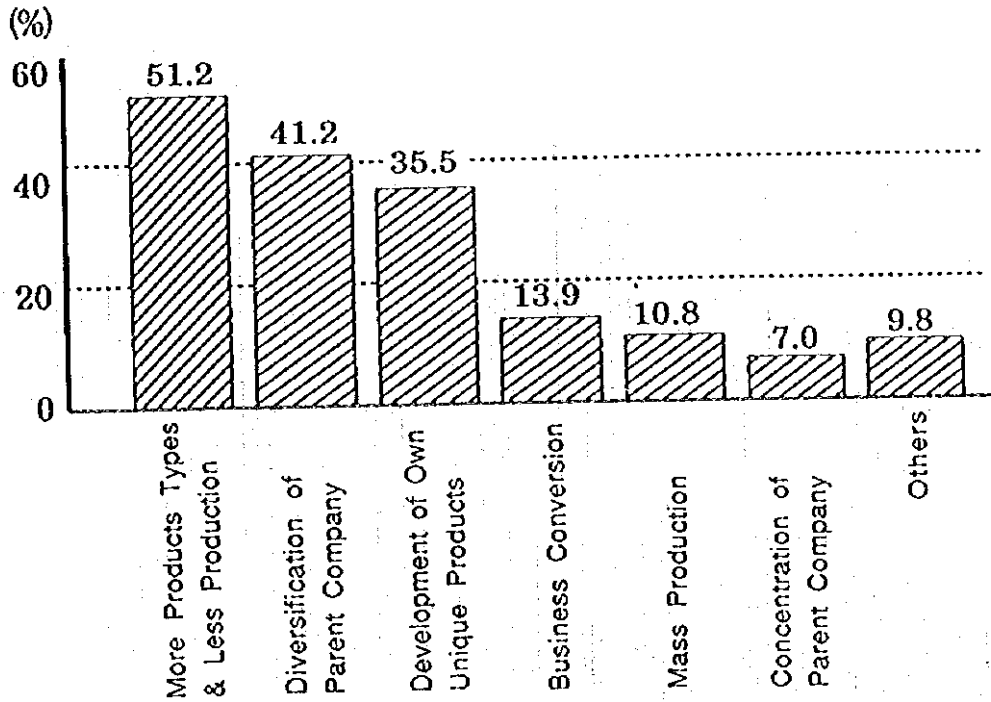
Graph 1: Changes in Overseas Production Rate by Overseas Incorporated Japanese companies



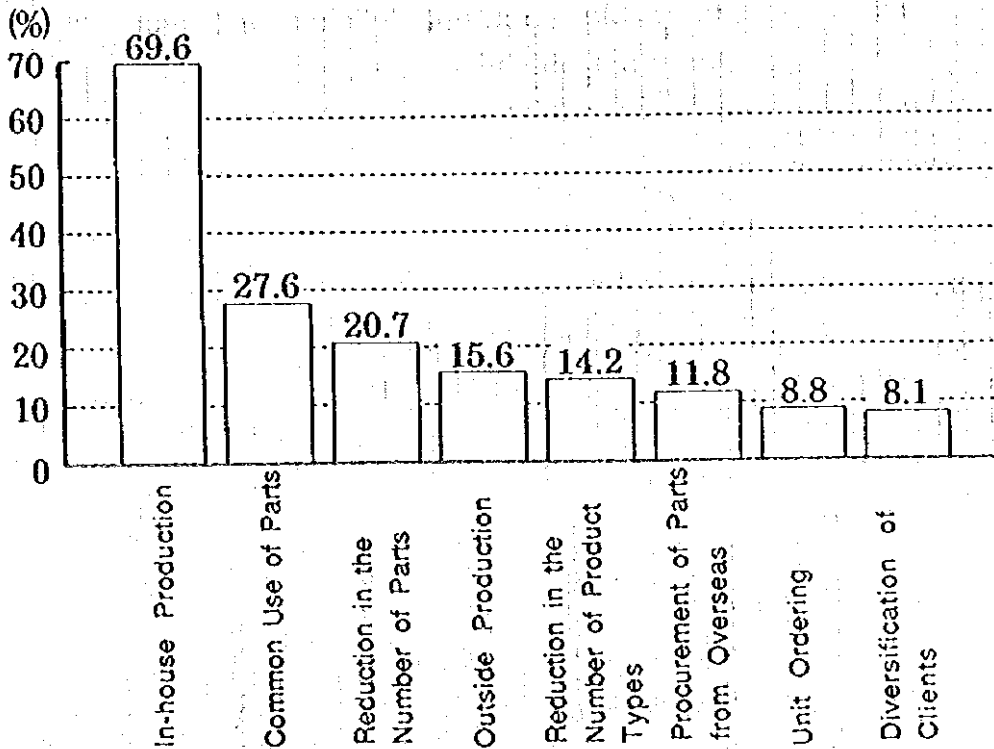
Graph 2: Restructuring Measures for Business Recession



Graph 3: Future Management policies for Subcontractors

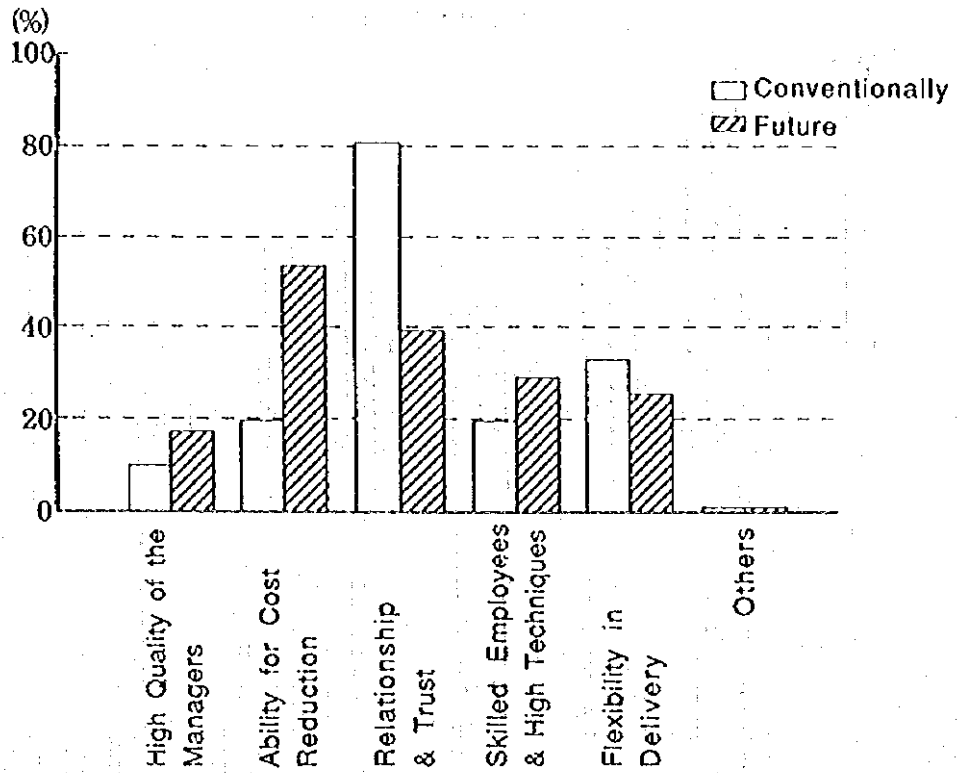


Graph 4: Restructuring Measures for Business Recession

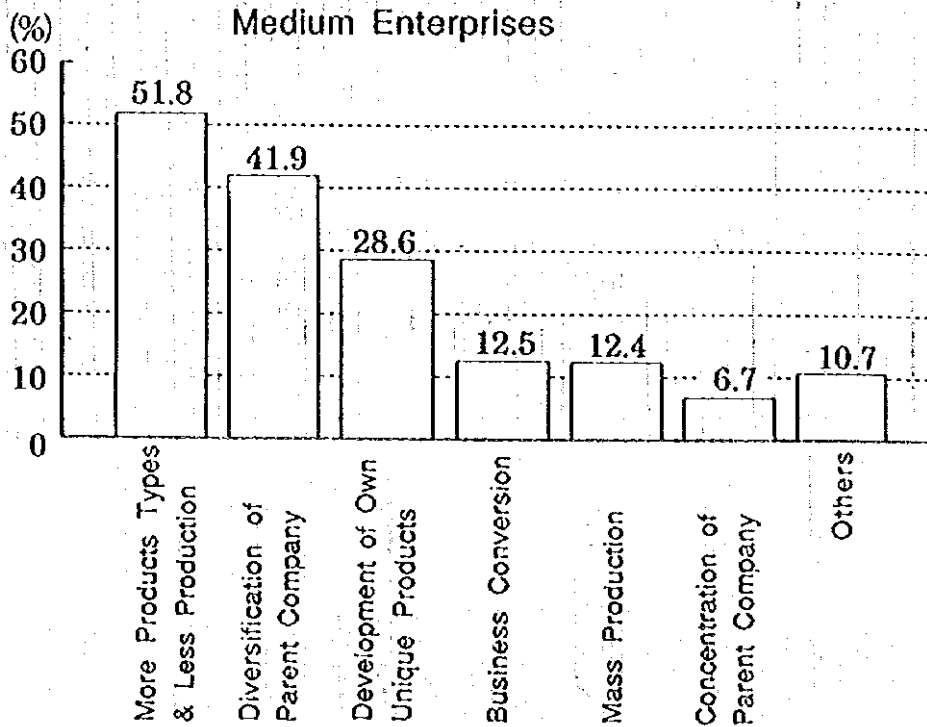




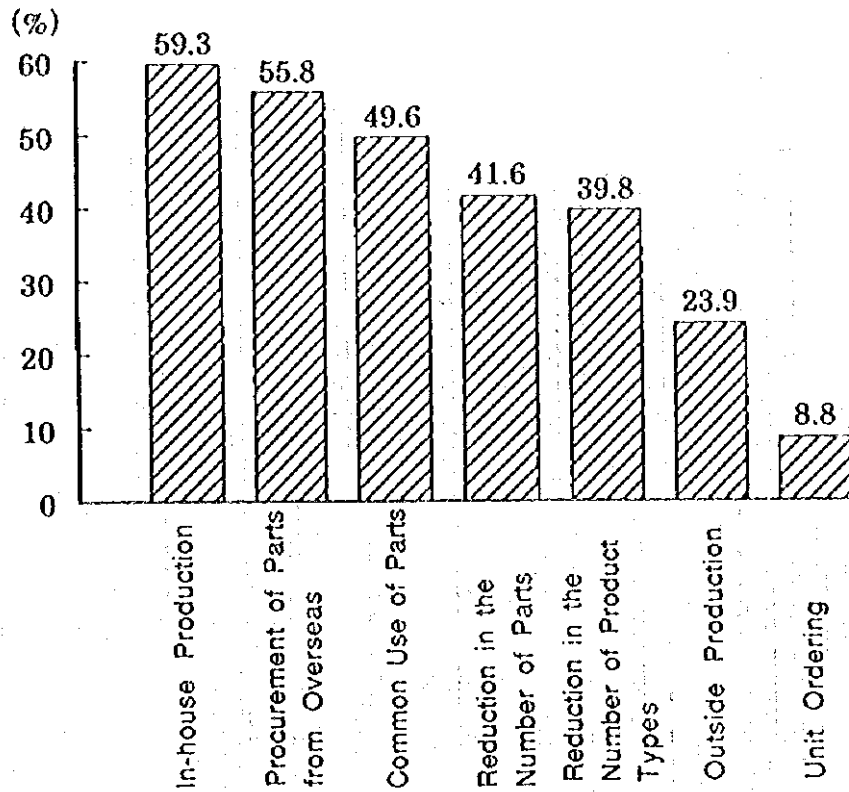
Graph 5: Yardstick for Selecting Subcontractors



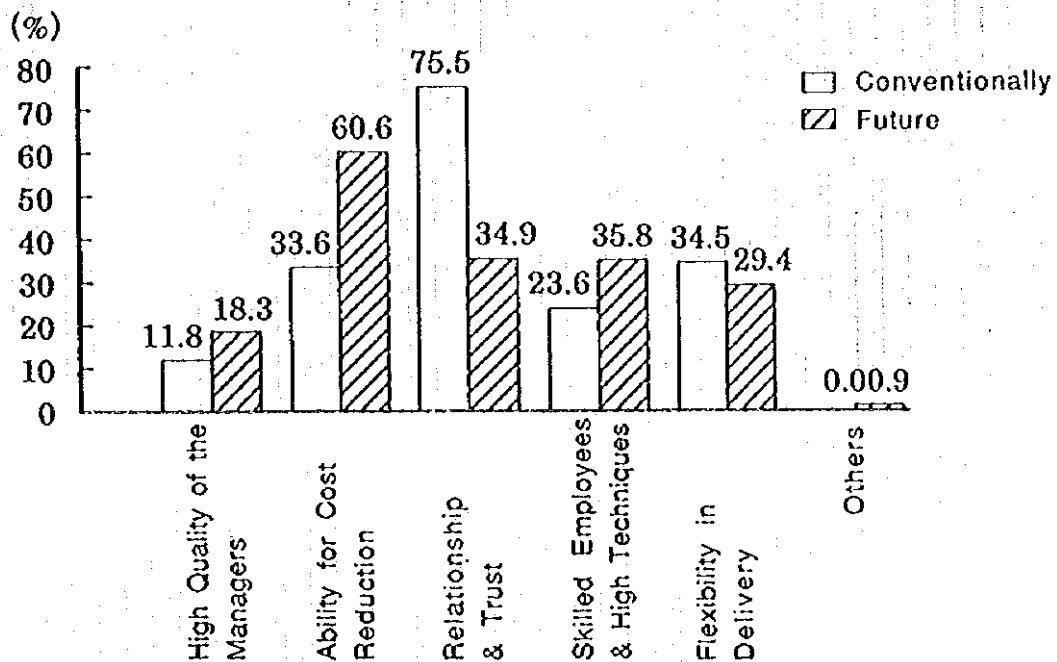
Graph 6: Future Management Policies for Small and Medium Enterprises



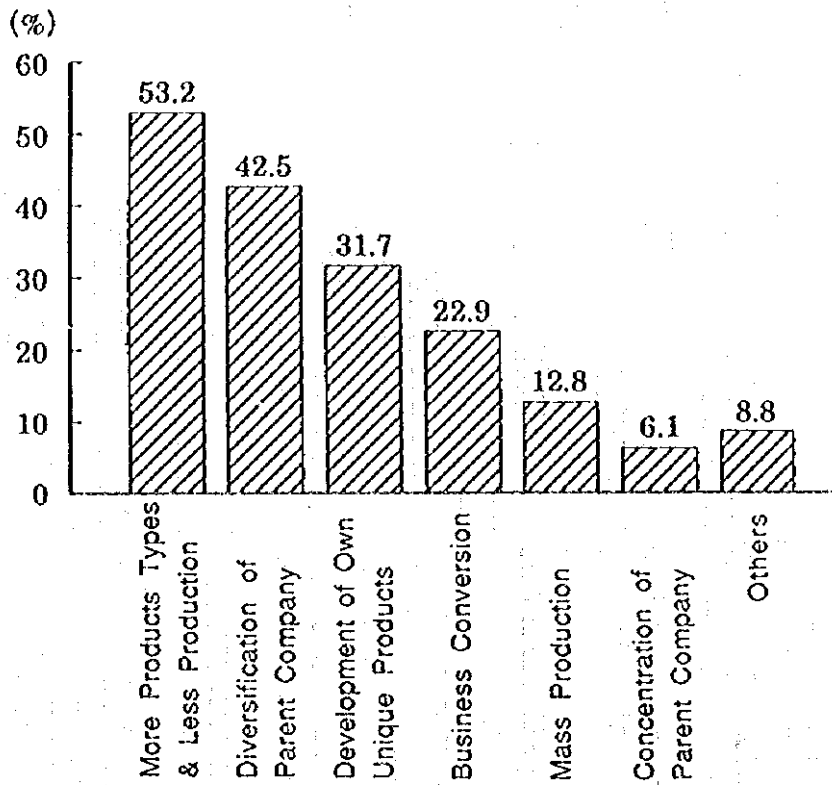
Graph 7: Main Restructure Measure for the Current Business Recession  
(Finished Product Manufacturers)



Graph 8: Important Items for Selecting Subcontractors  
(Finished Product Manufacturers)



Graph 9: Future Management Policies for Small and Medium-size Subcontractors



3. 質問表

(帰国研修員用)

Questionnaire for ex-participants

NAGOYA INTERNATIONAL TRAINING CENTRE (NITC)  
JAPAN INTERNATIONAL COOPERATION AGENCY (JICA)

No.73, 2-chome Kamenoi, Meito-ku, Nagoya 465 Japan

Q U E S T I O N N A I R E

I. Personal Data :

1. Name in Full : \_\_\_\_\_ Date of Birth \_\_\_\_\_  
(Please underline family name)

2. Name of institution where currently employed :

\_\_\_\_\_

Address : \_\_\_\_\_  
(Street and Number) (City) (State/Country)

\_\_\_\_\_

(Zip code) (Cable/Telex) (Telephone)

3. Current home address :

\_\_\_\_\_

(Street and Number) (City) (State/Country)

\_\_\_\_\_

(Zip code) (Telephone)

Remarks : 帰国研修員用 (4 ページ)  
技協窓口機関用 (1 ページ)  
所属機関用 (3 ページ)

**II. Educational data :**

5. Have you ever attended any other training course sponsored by donors other than JICA ?

Yes, \_\_\_\_\_ No, \_\_\_\_\_

If yes, which donor \_\_\_\_\_

6. Comment by comparing the above mentioned training course with the one sponsored by JICA, if any.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

7. Education/Training(Degree/non-degree) before attending training at JICA

Name, education/ training institute	Location of Institution	Years attended from ~to	Certificate/Diploma/ Degree & Major in

8. Education/Training(Degree/non-degree) after attending training at JICA

Name, education/ training institute	Location of Institution	Years attended from ~to	Certificate/Diploma/ Degree & Major in

**III. Present Work and Effect of Training :**

9. Current position and your responsibility : Please describe briefly your current position and responsibility :

\_\_\_\_\_

\_\_\_\_\_

10. Nature of present job : Indicate by an mark (x) in the corresponding box.

Activities	Full aprox. 85%	Major aprox. 75%	Partly aprox. 50%	Slightly aprox. 25%
Research				
Institution				
Extension				
Administration				
Others, Specify				

11. Were there specific objectives set before attendance of course ?

11. Were there specific objectives set before attendance of course ?

Yes, \_\_\_\_\_ No, \_\_\_\_\_

If yes, who by \_\_\_\_\_

what are they \_\_\_\_\_

12. To what extent can you apply the knowledge/skills etc. acquired through the JICA training to your present job ?

Full Over 85%	Major aprox. 75%	Partly aprox. 50%	Slightly aprox. 25%	None less 25%

Please explain your answer briefly

13. Which part of your training held by JICA was most useful to you in relation to your subsequent position and responsibility ?

\_\_\_\_\_

\_\_\_\_\_

14. If there is any personal improvement in your job/work after the JICA training, please indicate below ;

\_\_\_\_\_ (yes) improved ( \_\_\_\_\_ a lot) ( \_\_\_\_\_ some what)

\_\_\_\_\_ ( no ) improvement

If, yes, please check below where applicable

\_\_\_\_\_ work conditions                      \_\_\_\_\_ for other (better) job

\_\_\_\_\_ responsibility                      \_\_\_\_\_ content of work

\_\_\_\_\_ for future prospects                      \_\_\_\_\_ professional recognition

\_\_\_\_\_ salary                      \_\_\_\_\_ international contact

#### IV. Skills Transfer

15. Now that you have returned to your home country, do you intend to transfer any technology/knowledge learnt during the training course to others in your organization ?

Yes, \_\_\_\_\_ No, \_\_\_\_\_

If you answered yes to the question 15, please answer below.

If No, skip to the question 17.

16. What methods have you used to transfer skills within your organization ? Please explain in detail on each categories below.

(content, the number of people trained, duration e.t.c.)

a) On the job training

b) Formal training sessions

c) Written materials of technology learnt

d) Others (Please explain them.

17. What are the main obstacles to be overcome in transferring technology to others within your organization ?

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**V. Problems**

18. what do you consider to be the biggest problems in the performance of your present job?  
(Check 4 or less in each row below ; )

Lack of

- |  |   |
|--|---|
| <input type="checkbox"/> trained personnel   | <input type="checkbox"/> support if supervisor        |
| <input type="checkbox"/> equipment           | <input type="checkbox"/> technical literature         |
| <input type="checkbox"/> funds               | <input type="checkbox"/> national training institutes |
| <input type="checkbox"/> foreign experts     | <input type="checkbox"/> transport facilities         |
| <input type="checkbox"/> research facilities | <input type="checkbox"/> career perspective           |
| <input type="checkbox"/> other, specify ;    |   |

Please explain them briefly.

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Various constraints :

- |   |  |
|---|--|
| <input type="checkbox"/> economic situation         | <input type="checkbox"/> brain drain                   |
| <input type="checkbox"/> poor management            | <input type="checkbox"/> promotion structure           |
| <input type="checkbox"/> too much foreign influence | <input type="checkbox"/> no suitable training          |
| <input type="checkbox"/> political situation        | <input type="checkbox"/> poor maintenance of equipment |
| <input type="checkbox"/> other, specify ;           |  |

Please explain them briefly.

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**VI. Request or Suggestion**

19. what subjects do you think supposed to be added to the training course you attended.

20. Request or suggestion to Japan International Cooperation Agency (JICA), if any.

- |   |   |
|---|---|
| <input type="checkbox"/> Retraining       | <input type="checkbox"/> Technical information          |
| <input type="checkbox"/> JICA publication | <input type="checkbox"/> Others, please mention below ; |

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Thank you very much for your cooperation.

QUESTIONNAIRE TO THE PARTICIPANTS NOMINATING GOVERNMENT (技協窓口機関用)

1. Please tell us the processes of nominating the participants after you received the Information (GI) on Group Training Courses in Consultancy Service for Small Industries sent from the JICA Office in your country, and also the time required until a nomination is made.

Your office

-related organizations

-your office

(1)More than 2 months \_\_\_ (2)Less than 2 months \_\_\_

2. Do you finalize the nomination on the basis of GI (1) or on the related organization's criteria (2) ?

(1) \_\_\_\_\_

(2) \_\_\_\_\_

3. Do you think the GI of these courses are clearly described about the objectives, contents and level ?

(1)YES \_\_\_\_\_

(2)NO \_\_\_\_\_

4. How long does it take till a participant to finish all the procedures needed for departure after he received the information of his acceptance ?

(1)More than 1 month \_\_\_ (2)More than 2 weeks \_\_\_ (3)Less than 2 weeks \_\_\_

5. Does the participant report to your office after he finishes his training

(1) Usually yes \_\_\_\_\_ (2) Usually no \_\_\_\_\_

6. Concerning on the Consultancy Service for Small Industries do you have a chance to get an assistance from donors other than JICA (Japan International Cooperation Agency)

(1)YES \_\_\_\_\_

(2)NO \_\_\_\_\_

If yes, what kind of assistance are they ?

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7. If you have any opinion about this course in comparison with other similar courses inside or outside your country, please state below ;

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Thank you very much for your cooperation.



QUESTIONNAIRE TO THE ORGANIZATION OF THE EX-PARTICIPANTS (帰国研修員所属機関)  
(The team will be very happy if the following questions are replied)

The group training course (Consultancy Service for Small Industries) has been conducted annually by JICA. Recent Training curriculum is attached as reference. (Annex 1,2)

Name of organization ( with location ) \_\_\_\_\_

I. Nomination

1. Please let us know the necessary processes to nominate candidates, after you receive the General Information (GI) of the Group Training Course in Consultancy Service for Small Industries sent from JICA office, and the time required for each process.
  
2. Mark one item matched with the selection of the applicants for the participants in this Group Training in your country.
  - 1) \_\_\_\_\_ Difficult to select one, due to the large number of applicants
  - 2) \_\_\_\_\_ Easy to select one, due to the small number of applicants
  - 3) \_\_\_\_\_ Others (list other reasons)
  
3. What is your policy in selecting the candidates.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
  
4. Please explain the procedures from the time your organization receives the notice of participant's acceptance, until he leaves the country for Japan, and the time required for each process.
  
5. Do you have sufficient time requirement for completing the procedures described in Item 4?  
Yes, \_\_\_\_\_ No, \_\_\_\_\_  
If No, state the time required.

II. Effect of Training

6. Is there a duty for ex-participants to report to your organization when he/she returns to your country after finishing the training in Japan ?  
Yes, \_\_\_\_\_ No, \_\_\_\_\_  
If Yes, what kind of report are they ? If No, skip to the question 7.

7. What extent do you think the curriculum of the course correspond to the needs in your country ? Indicate by an mark (X) in the corresponding box. (Please refer to the Annex 1,2 as a reference.)

Full 75%~100%	Major 50%~75%	Partly 25%~50%	Slightly 0%~25%

8. In what specific area in your organization have you gotten the most beneficial effect from the training courses in Japan ?

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9. Among the technologies in the training course obtained from Japan, what have been practically applied to the work in your organization ?

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How are they utilized ? Give some examples.

10. What methods have you used to transfer the skills into your organization ? Please explain in detail on each categories below. (Content, duration, the number of people trained, e.t.c.)

1) On the job training

2) Formal training sessions

3) Written materials of technology learnt

4) Others (Please explain them.)

**III. Present Situation**

**11. Indicate any probable problems which impede the development of Small & Medium-sized Industries in your country ?**

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**12. Please describe the training methods and staff development systems in your organization. (place, equipments, number of instructors and students, kinds of class, duration of training, e.t.c.)**

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**13. Considering the present situation on Small & Medium-sized Industries in your country, are you satisfied with the number of personnel who are involved with this field?**

Yes, \_\_\_\_\_ No, \_\_\_\_\_

If No, please name the specific areas.

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**IV. Others**

**14. Please attach the pamphlet, or organization chart which shows the activities of your organization.**

**15. Request or Suggestion to Japan International Cooperation Agency (JICA) If any.**

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**Thank you very much for your cooperation.!**

