

Emerging Patterns of Corporate Governance among Japanese Firms - Converging to Any Specific Model?

Hideaki Miyajima
(RIETI / Waseda / Harvard)

Introduction in Corporate Governance in Japan: Institutional Change and Organizational Diversity, M.Aoki, G.Jackson, H.Miyajima (eds)
Oxford University Press, forthcoming

Purpose of the Project

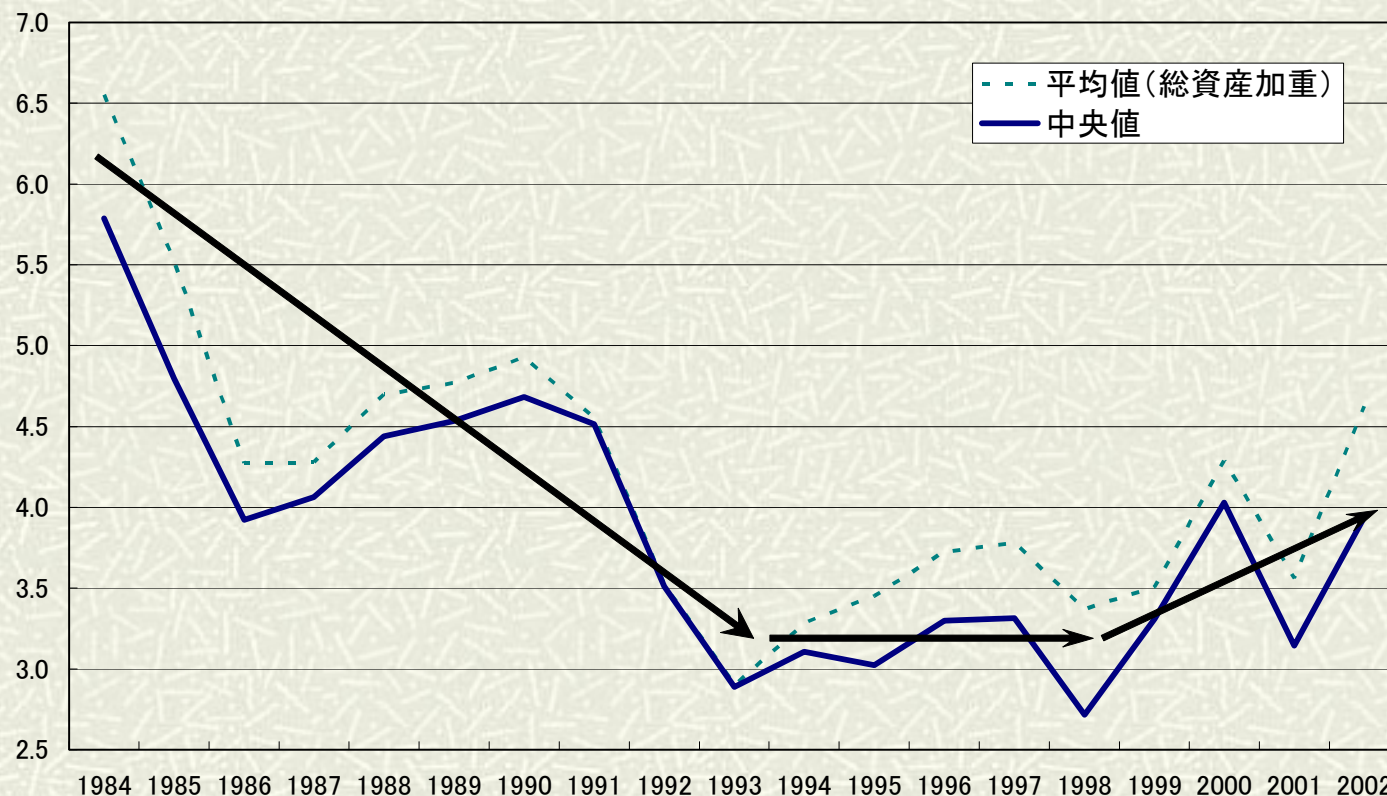
- # Evolving patterns of corporate governance since the mid-1990s. New challenges.
- # 1997 banking crisis,
- # Regulatory changes: ex. Anti-trust law, commercial law
- # Conventional J-type system changed a lot.
- # The main bank system, cross-shareholding, lifetime employment and Japanese style management have not disappeared, but they are no longer the same.

現状認識

資料、経済産業省 2004年

■ 80年代後半以降、劣化が著しい。近年の回復

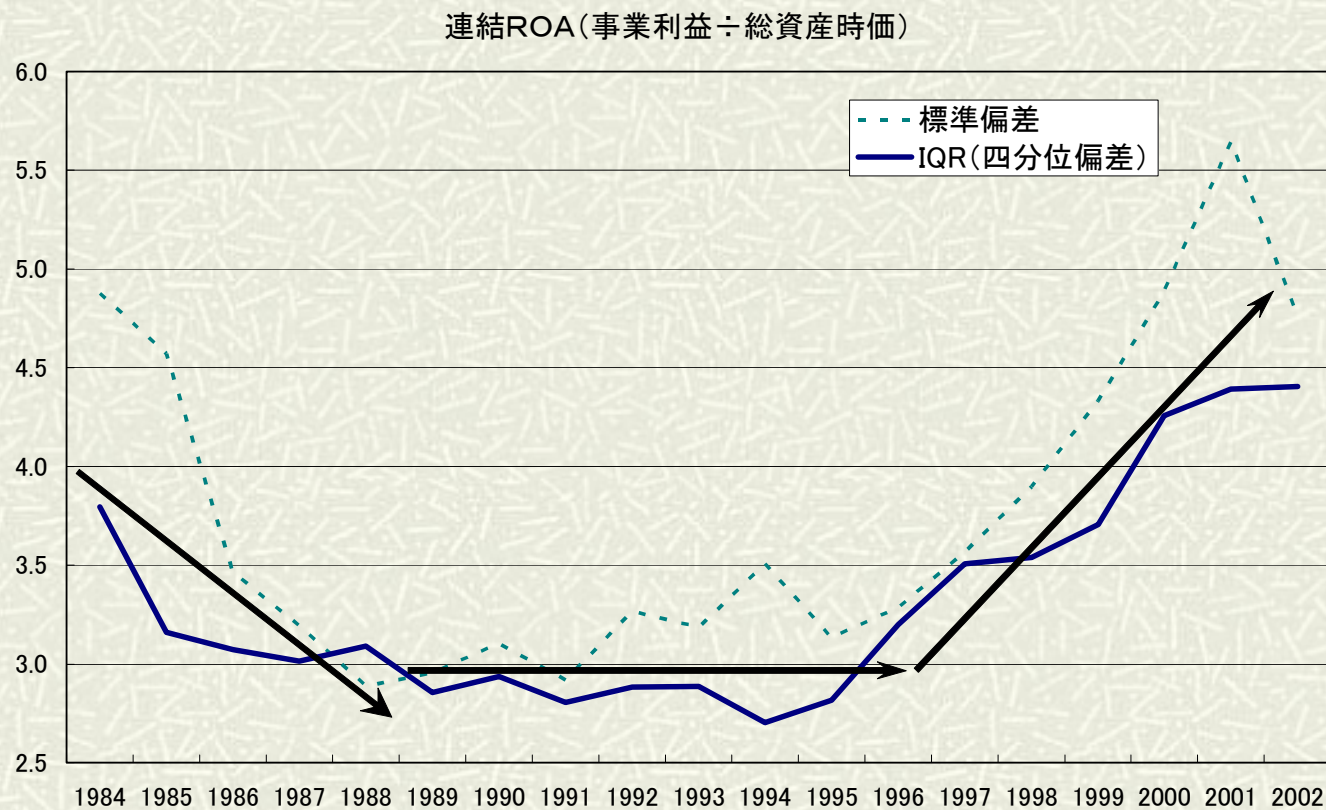
連結ROA(事業利益÷総資産時価)



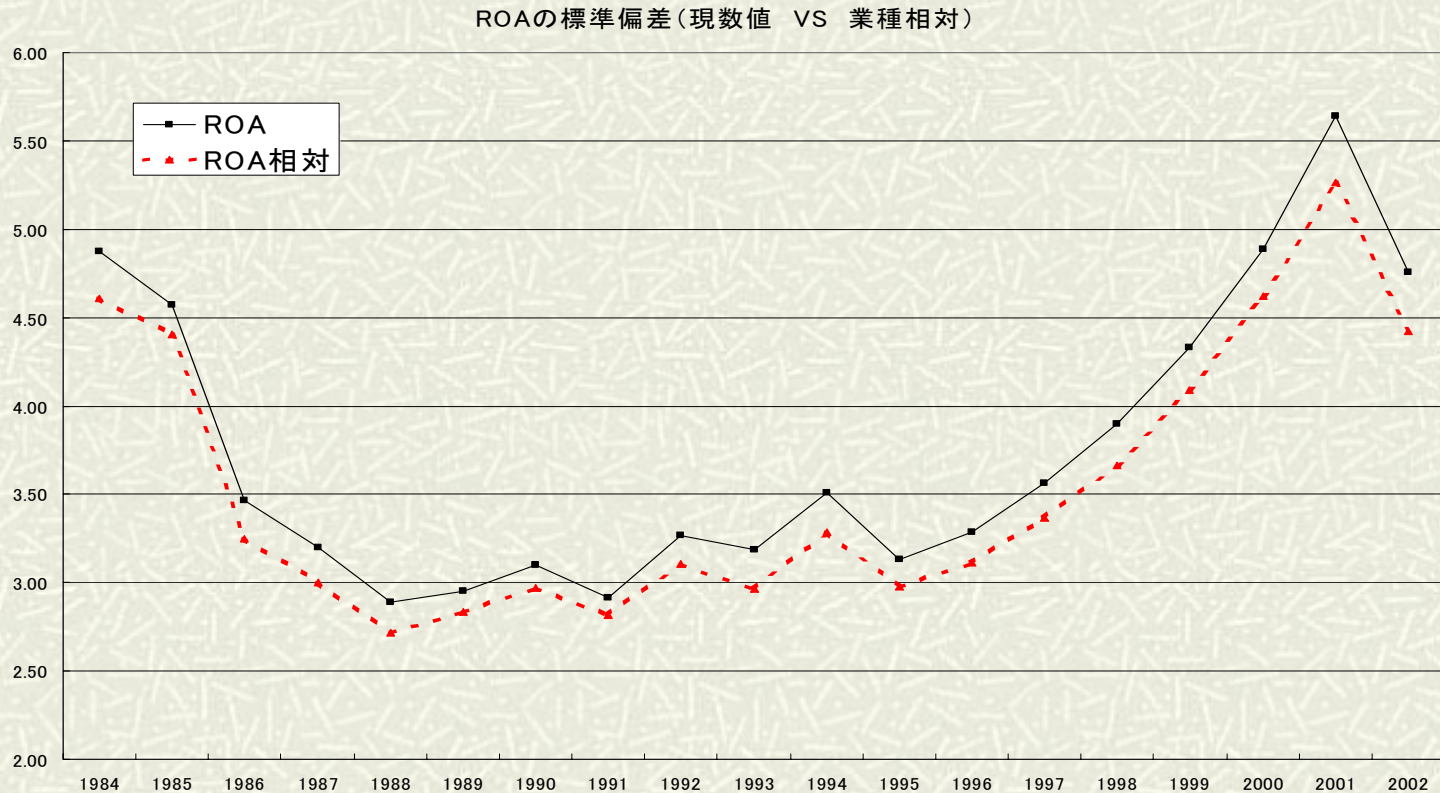
現状認識(パフォーマンスの分散拡大)

資料、経済産業省 2004年

- 他方、97年度からは、企業間でパフォーマンス格差が急速に拡大。
- 80年代後半と比べて平均値が低下しており、格差の意味合いは数値以上のものがある



参考・相対パフォーマンス



Purpose of the Project .

Corporate Governance and the J-Firm

- # Japan as a bank-based, relationship-oriented, network, insider, stakeholder or coordinated model of corporate governance
- # Contrast to U.S.-UK style of governance, but had competitive strengths historically
- # Our description based loosely around J-Firm from Aoki 1988, 1994, etc.

Purpose of the Project

- # Japanese firms no more homogeneous
- # Yet where many see change, others see continuity.
- # Understanding balance of institutional continuity and change, as well as assessing the emergence of a new governance model is the central task of this book.
- # Patterns of Institutional Change since the mid-1990s
- # The New Diversity of the Japanese Firm: what model?

1997年以降：企業統治構造の多様化

資料、経済産業省 2004年

	平均値				標準偏差			
	1987	1992	1997	2002	1987	1992	1997	2002
国内機関投資家	3.35	5.74	5.07	8.01	3.60	3.90	3.55	5.86
外国人機関投資家	3.62	4.45	6.83	6.66	4.36	4.79	7.06	7.98
安定保有	30.54	30.34	27.61	16.67	13.94	13.70	13.90	11.31
親会社ダミー	0.24	0.26	0.28	0.29	0.43	0.44	0.45	0.45
取締役人数	17.19	18.81	17.51	11.86	7.06	7.84	7.55	5.77
社外取締役比率	0.16	0.15	0.15	0.18	0.16	0.15	0.15	0.19
役員持株比率ダミー	0.08	0.04	0.06	0.13	0.27	0.20	0.23	0.33
ストックオプション	NA	NA	NA	0.30	NA	NA	NA	0.46
従業員持株会	0.84	0.90	1.16	1.53	0.78	0.83	1.06	1.43
サンプル数	977	1079	1164	1369	—	—	—	—

How to approach

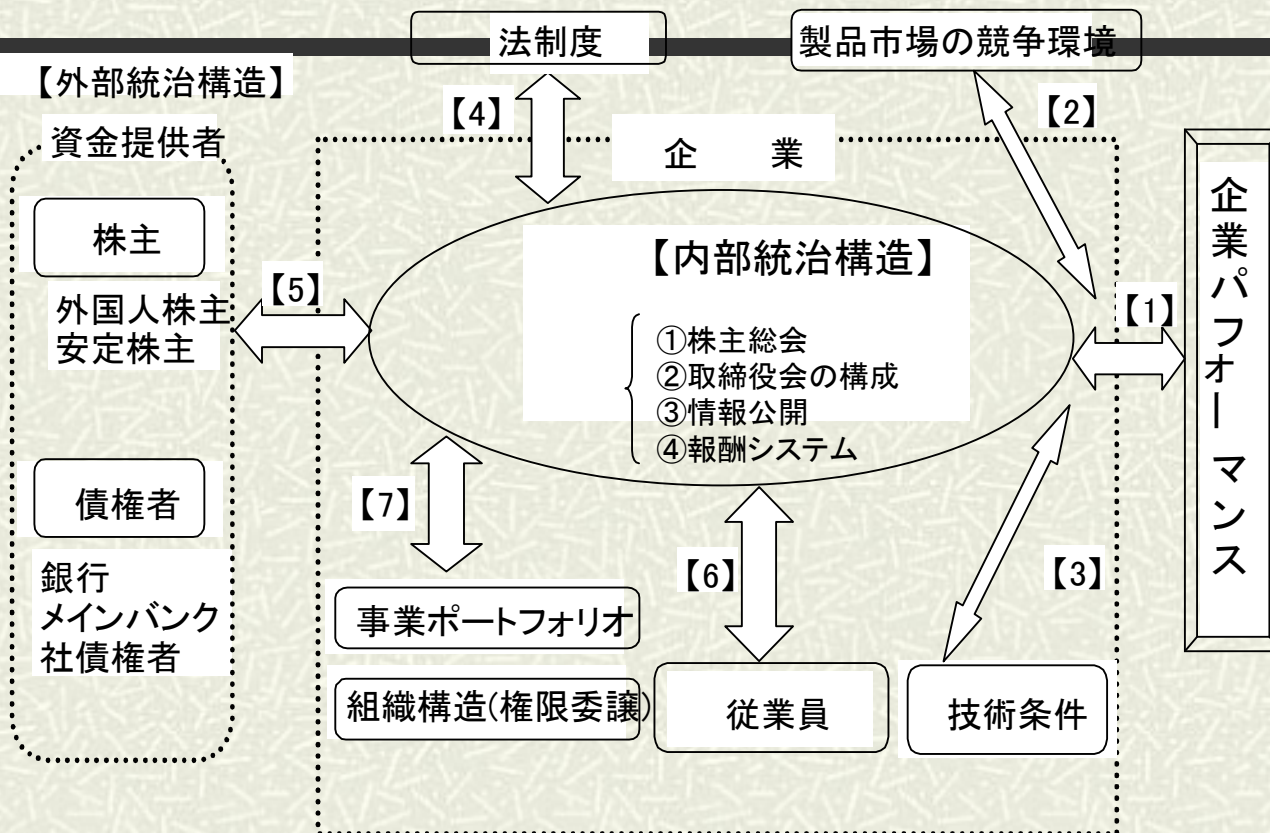
What is Corporate Governance?

- Multiple stakeholders
- Institutionalized rules and beliefs that shape their role in corporate decision making

Why Corporate governance matters ?

- Shapes Management
- Influenced on firms efficiency

分析枠組



How to approach J-Firm as a National System

institutional complementarity –

- a particular institution A becomes more viable or produces greater returns in the presence of a particular institution B rather than C (Aoki, 2001)

institutional isomorphism—

- pressures for legitimacy, to reduce uncertainty and adapt to social and professional norms pose constraints that lead firms within a population to resemble one another (DiMaggio and Powell 1991)

Co-existence of different system?

Main Research Questions

- What sorts of changes can we observe empirically in the corporate governance of Japanese firms?
- How significant are these changes? Do these changes suggest international convergence or an incremental adjustment of the Japanese model to changed circumstances?

Main Research Questions

- How are changes in the various aspects of corporate governance interrelated? What new profile(s) of corporate governance characteristics is emerging in Japan? What are their determinants?
- Last, what is the relationship between recent changes in corporate governance arrangements and performance?

Composition of Symposium

- # Four phase of corporate governance
- # S. 1 Ownership
- # S. 2 Bank firm relationship
- # S. 3. Board reform
- # S. 4 Emploment system and corporate governance

Composition of Symposium

- # Latest Information on changing corporate governance
- # Unique data set and new insight on Japanese firms
- # Comprehensive understanding