CHAPTER

8

Japan

Japan can legitimately lay claim to being the source of thinking that most influenced the creation of the Scrum framework, the most popular manifestation of Agile in the world. It is also the birthplace of the Toyota Production System whose methods are the principal source for Lean.

Yet Japan's economy, booming from the 1950s to the 1990s has now been stagnant for decades. The adoption of Agile is nowhere near the level of the United States or Europe, while innovation in the country is seemingly at a standstill. At the same time, Japanese people's nature of respect, courtesy, collaboration, and sheer hard work seem to be a perfect fit for Agile ways of working. The paradoxes are many in this unique and fascinating country.

History

Japan remained relatively isolated during its early periods and the feudal era – a time when the warrior class, the samurai, emerged to become dominant. It wasn't until the 19th century when the "Black Ships" – the name given to the US Navy vessels – arrived, forcing Japan to open up. Through a period of treaties with Western countries and civil war, Japan actively became westernized, adopting political, economic, judicial, and cultural influences from the West on its way to industrialization.

Japan became a world power, seeking to expand its interests and influence through expansionism and military force. This included conflicts with the Russian Empire for control over areas that included Korea and Taiwan in the

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Russo-Japanese War from 1904 to 1905, and in World War I when they sided with the Allies. Their defeat in World War II left the country devastated, and in 1947, they adopted a new constitution that focused on liberalism and democracy.

The Japanese economic miracle that took place after World War II took a country that was on its knees to one that had the second biggest economy in the world. It was partly sustained by US assistance to counter Soviet expansion, and partly by the characteristics of the Japanese people themselves. Manufacturers, suppliers, financiers, and distributors formed groups called keiretsu,[1] essentially groups of informally interlocked businesses with lasting relationships with each other and a focus on long-term sustainability rather than short-term profits. Unions had good relationships with government, who in turn stimulated growth through regulations and protectionism. Companies offered lifetime employment and support in exchange for loyalty and dedication.

With so much money in the economy, an asset price bubble formed in the 1980s, during which assets and real-estate were deemed to be greatly overvalued. Lending and subsidizing to failing banks and businesses created "zombie" organizations. Loans went unpaid and the banks delayed decisions to collect on collateral. Funds for economic growth dried up.

It was in 1986 that two professors, Hirotaka Takuchi and Ikujiro Nonaka had an article published in the Harvard Business Review titled The New New Product Development Game.[2] Takuchi and Nonaka looked at a number of practices of successful manufacturing companies, such as Honda, 3M, Hewlett-Packard, Fuji-Xerox, and Toyota, drawing attention to the use of overlapping processes instead of sequential ones. They stressed the importance of speed, flexibility, and teams of autonomous people for successful product development, likening the approaches they were seeing to a game of rugby, where a team "tries to go the distance as a unit, passing the ball back and forth." Several years later, Jeff Sutherland and his team at Easel Corporation began practicing techniques inspired by the article to develop software.[3] Sutherland went on to refine the approach with Ken Schwaber and together they developed the Scrum framework.

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[1]Twomey, B. (updated 2018). *Understanding Japanese Keiretsu*. Investopedia. www.investopedia.com/articles/economics/09/japanese-keiretsu.asp

[2]Takuchi, H. and Nonaka, I. (1986) *The new new product development game*. https://hbr.org/1986/01/the-new-new-product-development-game

[3]Sutherland, J. (2014). *Scrum: The Art of Doing Twice the Work in Half the Time*. Random House Business Books. pp. 32–33. ISBN-13: 978-0385346450

Meanwhile, the 1990s for Japan became known as the "Lost Decade," though many would regard the stagnation continued to 2010 and beyond. The 1997 Asian financial crisis and the general global slowdown of growth in the early 2000s hindered Japan's recovery. Though the country returned to growth after 2005, the effects of the Lost Decade continue to be felt today.

On April 30, 2019, Emperor Akhito abdicated the throne. Akhito's son, Naruhito, became the new Emperor of Japan and this marked the passing of the Heisei imperial era to the new Reiwa era. The Prime Minister, Shinzō Abe said that the Reiwa era represents "a culture being born and nurtured by people coming together beautifully."[4]

We could not visit Japan without visiting Toyota and seeing the famous Toyota Production System[5] for ourselves. Based on the philosophies of Toyota's founder Sakichi Toyoda, it has evolved over decades from the approaches developed by Sakichi Toyoda's son, Kiichiro Toyoda and the engineer Taiichi Ohno.

The Toyota Takaoka Plant Tour[6]

From a high steel walkway, we looked down on the long production line, starting at the point where the first fittings are made to the shell of the car. We saw the use of kanban cards, sheets of paper several times bigger than a standard sized post-it note, with all kinds of instructions laid out in a standardized format on the card. Several kanban cards were attached to the shell of the body of the car, one for each assembly station, and we were told they convey information that included the model (the production line will have different models and specifications coming through, depending on orders to be fulfilled) and the intended market of the car so that the workers know to apply any context-specific configurations needed.

I liked that the cards were information radiators and not merely instructions, trusting assembly workers' knowledge and expertise. As the work is done, the kanban cards are taken off the car and put to one side. They are then collected regularly and taken away to trigger the restocking of parts – the ordering done 'just in time' to eliminate the waste of over-stocking.

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[4]*Bidding goodbye to Heisei; saying hello to Reiwa*. Japan Times. www.japantimes.co.jp/opinion/2019/04/01/editorials/bidding-goodbye-heisei-saying-hello-reiwa/#.XOmJTrzYrnE

[5]Toyota Production System https://global.toyota/en/company/vision-and-philosophy/production-system/

[6]Contribution based on the blogpost at www.redtangerine.org/2018/08/07/toyota-plant-tour/

At each assembly station was the "Call Switch" which workers could use to signal a problem. We saw the "Andon Board," each station represented by a row with a color giving the status on the electronic board. Everything was green. Should a Call Switch be triggered, the corresponding row representing the workstation on the Andon Board would turn amber, notifying everyone that there was an issue. The station's team leader would discuss the concern with the team member and try and resolve it immediately. If they can resolve the issue then the line continues without a stoppage.

Our tour guide pointed out the yellow marks on the conveyor belt. Should the Call Switch have been pulled and the issue unresolved by the time the yellow mark reaches another mark at the side of the belt – which indicates the start of the next assembly station – the row representing the station on the Andon Board turns red and the whole production line is stopped and remains so until the issue is resolved. This is part of the principle of "Poka-yoke", a Japanese term for any mechanism that helps someone avoid (yokeru) mistakes (poka), to eliminate product defects by drawing attention to errors as they occur.

Assembly teams are five to seven people, plus a team leader and a group leader (group leaders have more authority than team leaders). Teams are rotated around workstations several times per day to spread knowledge and so workers do not lose concentration doing the same thing all day. Two shifts run for nine hours with a 45-minute lunch break and a 10-minute break every hour. If someone is losing concentration or needs a rest break, they can pull the Call Switch and the team leader can step in. A nice touch was that people could wear whatever they wanted, as long as they didn't have accessories such as belts that could get caught up in any of the machinery. This was refreshing after being in Tokyo where, almost without exception, we were surrounded by the white shirts and black or navy-blue trousers or skirts of the city's office workers.

Decades after the TPS was first thought up, continuous improvement is still at the heart of what Toyota do, and everyone is encouraged to share ideas of how to eliminate waste or work more efficiently. Improvement opportunities seem limitless with every detail, no matter how small, open for analysis and improvement. We could see at each station, trays containing parts laid out in well-thought-through configurations.

We were shown one idea that was adopted where a worker needed to pick up five bolts for a task, but raised an issue that when he reached into the tray of bolts he would not always grab the five bolts required, slowing him down on completing his task. To demonstrate the problem, a tray of bolts was provided for us to try. On my first effort, I retrieved three bolts. On my second attempt, I got the five. On my third, I had picked up four. An obvious solution would have been to supply the bolts in trays of 5, but this would have caused waste elsewhere – someone else would have to set the tray up, not to mention the waste in transiting the trays of bolts back and forth to the workstation. The

solution was a contraption, a mechanical arm consisting of five "fingers" with small magnets on each end. Work the lever and the fingers would dip into the tray of bolts and snap back, dropping excess bolts back into the tray leaving five bolts for the worker to pick off the magnets, every single time.

I was struck by how relatively quiet the plant was. In my younger days, I worked in factories to pay my way through my student years. While there was the expected whirr of machinery, what was missing compared to my experience was the sound of human voices, usually loud and barking orders. We saw robots, small cars like something from Star Wars, dragging huge pallets of parts around the factory floor. We saw robot arms spinning and moving, beavering away packing boxes. They almost had their own personalities. Mechanical rigs did the heavy lifting. It turns out that 90% of the production line is automated. This includes much of the continual inspection, which were other variants of the Call Switch and Andon Board that we had seen but automated. For example, at the engine assembly area there were traffic light displays showing the status of the emerging engine after the latest checks at each point of the production line. The automated quality checks together with all workers taking collective responsibility for quality, never knowingly allowing defects to be passed onto the next process has meant that Toyota produces an end product that has a defect rate of close to 0% on final inspection.

Some of the other impressive stats were: a cycle time of one day – the time it takes to build a car, from stamping the body shell to completion, a throughput of 1200 vehicles per day, or put another way, one car delivered nearly every minute. And these rates have flexibility too. The production rate is based on one month of real orders, plus a projection for the following two months of orders – capacity is balanced with demand. Flexibility is built into this plan if these projections are inaccurate.

The Toyota Takaoka plant tour showed us so many ideas and practices that demonstrated Lean principles, principles that can be applied to the work of software development teams and beyond. Toyota certainly live by their company motto which translates to "Good thinking, good products."

—David Spinks

Takeaway Build quality in from the start. When done right, Agile is about ensuring quality throughout your process. At Toyota, the line is stopped when major issues are found. In software development we have practices such as Test Driven Development, Continuous Integration, and test automation. Quality is an ongoing concern for everybody and not something that is left toward the end of our processes, no known faults or bugs are allowed to go downstream.

Insights

Japan is considered unique, both by the people themselves and by outsiders looking in. Culturally, while there are some similarities in behavior with other Asian cultures, Japanese people are quite unlike all others. The country is an isolated island. The language can be vague and ambiguous. Communication with Japanese people can be perplexing to foreigners, for example their use of impersonal verbs make it unclear who or what is being referred to, so communication is highly contextual.

The people have learned to live together in crowded conditions – only about a quarter of the land is habitable due to the mountainous terrain – leading to the need for conformity and harmonious living. The constant threat of earthquakes adds to their collaborative nature. The ability of the Japanese people to bounce back and rebuild roads, buildings and homes after natural disasters is well known, not just in terms of the speed in which they can do so but also often rebuilding with better quality than what was there before. This is in no small part due to the camaraderie and the determination of the Japanese people who are perhaps the greatest and most well-intentioned team players in the world. The behavior of Japanese at the 2018 FIFA World Cup[7] impressed the world when fans and the team themselves cleaned up after themselves, leaving spotlessly clean stadiums and dressing rooms in their wake.

We saw evidence of this collaboration spilling over into the software development realm. Pair Programming is a common technique in building software across the world, but during our time in Japan, and in more than one company, we saw Mob Programming[8] in action.

Mob Programming in Japan

Following our hosts on a tour of the office on many of our company visits in Japan, one of our immediate observations was how some of the work areas had been arranged. In one office's large open-plan space shared by several teams were not just the usual rows of individual workstations and mobile whiteboards, but separate areas set up with a number of comfy looking seats arranged informally facing a large screen. As we walked through, we saw what appeared to be one small Scrum Team standing around a mobile whiteboard to the side of one such area. At another, the team appeared to be seated, but

[7]Illmer, A. (2018). *Japan fans impress by cleaning up stadium*. BBC News. www.bbc.co.uk/news/world-asia-44492611

[8]Mob-programming www.agilealliance.org/glossary/mob-programming/

fully engaged in discussions. Our host confirmed that the first group were in their Daily Scrum, but that the other team were "mobbing." He pointed out the Product Owner, standing by the screen upon which the display was being switched back and forth between what appeared to be an IDE, and a running version of the web application that the team were working on. A couple of the team were seated to one side, seemingly in deep discussion on a particular detail of what was being built, while the rest of the team's attention was on what was happening on the screen. One or two of them – "Navigators" – made suggestions to the sole person that had a keyboard in front of them – the "Driver."

We had coached and encouraged Pair Programming with teams that we had worked with, but this was the first time we had seen the development practice expanded to include multiple people. Here, and in other companies that we visited, Mob Programming stations had been specially created for the whole Scrum Team, including the Product Owner, to work together. These mob stations enabled everyone to gather together in a shared space around one large screen, but were set up with just a single development machine so that the entire Scrum Team could continuously collaborate to get one feature at a time to "Done" – fast. Semi-circular seating aided whole team communication and allowed the team to rotate the driver role.

Mob Programming enhances many of the core Agile principles: face-to-face communication (business people, customers, or customer representatives can be part of the mob), collaboration, self-organizing and cross-functional teams, regular reflection, building quality in, and doing only the minimum necessary to name a few. It reduces communication problems and delays, enables quick decision making, builds in a code review process at the point where it is most efficient to do so (i.e., as the code is being written), helps to keep technical debt down and helps to share knowledge.

The practice of Mob Programming has gone on to spread rapidly throughout Japan since Woody Zuill's keynote talk "Mob Programming and the power of flow" at Agile Japan 2018.[9] There can be few better examples of collaboration in action than Mob Programming, and given their cultural context, it would appear that the Japanese – when given the right environment – are the masters at it.

—Glaudia Califano

[9](2018). *Mob programming and the power of flow agilejapan 2018 Mob-programming.* Slideshare.www.slideshare.net/hiranabe/mob-programming-and-the-power-of-flow-agilejapan2018keynote

Transparency, one of the three pillars of empirical process control theory that Scrum is founded upon, risks disrupting the harmony that is so sought after by Japanese people in their lives. To them, harmony takes precedence over clarity, even affecting the Japanese language which, as noted previously, can be vague and ambiguous. Transparency, and even truth, are secondary concerns to harmony. Saving face for one's self and for others comes before all else. An example of this is that many Japanese people will rarely say "no" directly for fear of causing upset. Instead, they will answer with silence, or they will give indirect messages and a range of subtle expressions to convey a message of "no" such as "I agree... 30%." Or they will promise to give an answer at the next meeting, only for you to find they are never available when trying to schedule something.

The characteristic of conformity and harmony in Japanese psyche means that decision making is done by consensus. There is even a term for it – Nemawashi. Nemawashi is literally translated as "going around the roots" and refers to a Japanese gardening technique where the tree is prepared to survive transplanting in a new location at a later time.

In organizations in Japan, the term Nemawashi is used to describe an informal process of laying the groundwork and building consensus before making formal decisions. Support for a particular point of view is built subtly through informal meetings or corridor conversations, for example. And although this process can take time, it is thought to reduce the risk of resistance. In the end, successful application of Nemawashi allows changes to be carried out with consent of all relevant parties and everyone aligned on the direction.

Figure 8-1. Formal meetings to build harmony and relationships (image courtesy of Tasia Graham)

Formal meetings on the other hand, as illustrated in Figure 8-1, are to unveil decisions, not to debate them. These meetings allow for ceremony and relationship building, and an invitee will bring whole entourages with them made up of people of different specialisms or perspectives to show solidarity and harmony. Stating one's own position and the exchange of platitudes may need to be repeated a number of times at a succession of meetings as the entourage expands. Meetings may also contain periods of constructive silences to allow reflection on the content.

Nemawashi can mean that things take time, but in the end, a solid consensus has been reached with everybody aligned on the direction. The agreement that has been built is combined with a pragmatism and flexibility. A signed contract is seen only as a starting point and can be rewritten in time.

Long-term goals and relationship building are much more important than contract negotiation or following a plan.

Japanese people, like many South Americans and other nationalities, will continue to regard time in ways that will conflict with other cultures, especially those in the West. Japanese people hate to be rushed into a decision. For them, the solidarity and consensus derived through the process of Nemawashi is worth the time it takes. This can however be considered as counterintuitive to the very essence of Agile thinking.

The Scrum role of Product Owner, properly enacted, and with full empowerment to make decisions could be the antidote to the agonizingly slow process of Nemawashi, but this would require a huge cultural shift. Another remedy to this could be to have very clear long-term goals, or a vision that everyone agrees with from the outset. Once this is in place, it should be relatively easier to build consensus on decisions, as they should be aligned to the clearly stated goals.

Nemawashi exists despite companies in Japan being generally hierarchically structured. People influence their peers and direct managers in the hierarchy. Ideas and suggestions flow up the chain for ratification, with acceptance and policies flowing back down for action. Contact is never made beyond the immediate rungs above or below a person's place in the hierarchy.

Much is built around the hierarchical nature of company structures and the two-way loyalty between people and the company that they work for. We heard stories about how graduates would join companies that would not just provide them with a job and a career, but also support them in their wider lives. This could include helping them in finding a home and organizing social activities. We even heard of an example where the company assisted employees in finding their life partners.

The loyalty between employee and employer goes well beyond that of those in other parts of the world. Traditionally in Japan, companies have provided stability, support, and certainty to their workers and dependents. In return for this, they get loyalty and complete allegiance from employees. It is rare for people to move from one organization to another. Someone with roles at more than two or three companies on their CV would be looked at suspiciously. It has been a long-established norm for people to have dedicated themselves to one company, with seniority determined by age and longevity. It is not uncommon for mediocre people to climb the ranks due to their patience rather than through any merit.

This loyalty to the company and the previously discussed group mentality are factors that contribute to the infamous Japanese culture of long working hours. It is such a part of Japanese culture that many companies expect it as a matter of course. We heard stories of employment contracts being written with clauses included that explicitly stated the number of extra hours

expected to be worked per week. It is not as simple as blaming corporate pressure though. In a culture where honor and saving face is so important, pressure from peers plays a major part. People feel compelled to stay in the office just because their colleagues are, regardless of what the actual work demands are. We even heard stories where husbands would loiter in the city after leaving the office, spending time in bars so as to not appear at home too early and bring disgrace to the family by giving the impression that they are not working hard.

These attitudes are changing though. Old attitudes are sometimes referred to as "Shōwa," in reference to the Shōwa era that preceded the Heisei era, and corresponding to the period between 1926 to 1989 when emperor Hirohito reigned. The younger generation want more freedom, leisure time, and life experiences. They do not want the lifestyles of their elders. Employers are recognizing the problems – not least because of the country's high suicide rate. There is even a term, karoshi, that describes people working themselves to death. We heard about a company that had created a drone to fly around the office, playing loud music to encourage people to leave on time[10] – at the risk of increasing stress levels even more.

Perhaps another contribution to the long working hours culture – and the stress – is the expectation of perfection. There is little room for safety to experiment. For example, we heard about a Scrum Team that abandoned a Sprint because of a reported bug in their web application in production. Fixing this bug was seen to be so important that the current Sprint Goal became obsolete. The problem only affected the application on an early version of Internet Explorer and a small number of users, but the company risked bad reviews, upset customers, damage to their reputation, and loss of face. The likes of Facebook and Twitter are powerful tools in Japan, with a company's reputation very much dependent on word of mouth on social media and other communication channels. In other countries, organizations may have just asked users experiencing the issue to upgrade their browser version, or to try an alternative browser, but in this case, fixing the bug was seen as of greater value than continuing to work toward the current Sprint Goal.

As a result of Japanese people's need for perfection, it could be argued that innovation is actually repressed. Failure and losing face are too much of a risk to experiment. It is still common for many traditional Japanese companies to treat QA as something to be done toward the end of the development cycle,

[10](2019). *Japan turns to tech to cut long working hours*. BBC News. www.bbc.co.uk/news/av/business-47209793/japan-turns-to-tech-to-cut-long-working-hours

with the existence of an independent QA department that does not understand Agile, and who proudly retain ultimate authority on whether to release. Alternatively, QA is often outsourced to a specialist company.

Realizing that they needed to adapt to stay competitive in a fast changing industry, KDDI, one very large company that we visited, was well into their Agile journey. They were adopting and scaling the Scrum framework, with help from well-renowned Agile Coaches from the United States and Japan.

KDDI: Designing the Future Using Scrum[11]

There is a place in Tokyo that is full of energy and activity, with many people moving around with purpose, some in groups, some on their own. Early morning appears to be one of the busiest times as people walk hurriedly with their coffee to get to work. Despite the activity, the scene is organized, the movement of people is smooth as everyone passes one-another with a practiced, calm, agility. I could be talking about the Shibuya Crossing, said to be the busiest road intersection in the world, with up to 1000 people crossing in all directions at peak times and a stone's throw from Shibuya station, one of, if not, the busiest station on the planet. However, I am in fact describing one of the offices of KDDI, one of Asia's largest telecommunications providers a few kilometers away from Shibuya.

We had been invited to the KDDI office for a tour that had been organized for the visit of Avi Schneier, Principal Consultant, Agile Transformation, and JJ Sutherland, CEO, of Scrum, Inc. who KDDI had partnered with for their Scrum adoption with local support from ESM, Inc.

KDDI had seen that the innovators – from and inspired by Silicon Valley – were coming. There had been very little investment in R&D and innovation in Japan in recent decades, and KDDI saw that they had to change. KDDI began their Agile journey in 2013, part of a strategy to change the reliance on 3rd party vendors and move development in-house, starting small with one pilot team and building up from there. They recognized that they needed to create empowered, autonomous teams with management's role as facilitators and enablers, inverting the traditional hierarchical pyramid. The collaboration with Scrum Inc. began at the start of 2017. A year and a half later, the partnership is strong, with Scrum Inc. paying regular visits to the KDDI Tokyo offices to see how things are going and to continue supporting them, the visit from Avi and JJ was just the latest example of this. With an employee base of over 35,000 people, KDDI have since become one of the main examples in Japan of rolling out and scaling Scrum in a large company.

[11] Contribution based on the blogpost at www.redtangerine.org/2018/09/24/kddi/

We didn't know where to begin with our questions as we chatted with Yoshinobu, KDDI development manager, while regularly stepping out of the way of people passing by. We didn't really need to worry about asking questions though, we were getting a good idea of what was happening just by being there. We were shown a number of different offices, and throughout them all we could barely see any wall space that was not used for the display of Scrum boards, story maps, burndown charts, or other information. Rolling whiteboards and electronic screens were dotted around. The whole place was one giant information radiator, with everything displayed with the meticulous tidiness so typical of Japan, swim lanes drawn perfectly level, and post-it notes stuck up in neat rows, for example.

It wasn't just the high level of transparency that impressed us, but also what we saw people doing. One team were Mob Programming in a specially designed area with sofas and a big prominent screen, a technique heavily used at KDDI. A few meters away, another team were similarly gathered in their Sprint Planning event. Around the other side of more rolling white boards, another team were gathered around another screen, the technology utilized to dial in remote team members for the team's Daily Scrum. KDDI has 26 teams in all, just three of which have offshore team members, a mark of how far they have come to create in-house capability.

Avi told us about some of the other changes that had occurred over the last year and a half. He pointed out one board that had three columns with headings "To Do", "Doing" and "Done", saying that when he first arrived the board had 14 columns on it, a hint perhaps of the waterfall process that KDDI were trying to get away from. Avi told us about another breakthrough, product managers that had moved from their previous offices to sit in the same room as the development teams, the greater face-to-face communication between business people and developers real progress for a company the size of KDDI that had traditional company structures historically. This product management group sits together with the Chief Product Owner, a gigantic user story roadmap on the wall by their desks. They were working with three Scrum Teams on a single product using practices from Scrum, Inc's Scrum@Scale framework.[12] For example, Scrum of Scrums and MetaScrums (where a group of Product Owners align the teams' priorities) help to coordinate, communicate, and bubble up impediments to the Executive Action Team, a group with the empowerment to remove impediments that cannot be removed by the Scrum of Scrums group. There was no need for inspirational posters on the walls for these teams; there is little that can be more motivating than seeing how your product is performing. Electronic screens in the office were giving feedback on the state of their applications in production in real-time.

[12]Scrum@Scale Guide www.scrumatscale.com/scrum-at-scale-guide/

As well as their work supporting a range of services for network, mobile and cloud for their corporate customers, KDDI support ICT solutions and have been contributing to the establishment of an Internet of Things environment. They are also interested in partnering with, and co-creating new businesses to provide services and solutions in the digital space. The KDDI Digital Gate is a major part of this strategy and we heard more about this later in the day. In partnership with JBPress, KDDI had organized a conference titled "Digital Innovation Leadership" and we had been invited to attend after the office tour and lunch. JJ Sutherland gave a talk, introducing Scrum and its benefits for innovation, and there were other speakers, thought leaders in digital innovation in Japan. Among them, we heard from Akihito Fujii, General Manager of the KDDI Solutions Business Planning Division, and Takayuki Yamane who spoke about the KDDI Digital Gate.

The KDDI Digital Gate is designed to be a space for innovation, where people can come together to create new products and services in a concept not too dissimilar to the Nordstrom Innovation Lab.[13] The mission is not technology led, instead the starting question is always, "How can we create value?" Design Thinking is encouraged to develop ideas that can be quickly turned into prototypes which are quickly turned into products with direct feedback from customers evolving the product as it is being built. KDDI wants to make the Digital Gate truly open, inviting partnerships and collaboration from anyone with a hope of spawning new startup businesses.

In a few short years, KDDI have become one of the leaders in digital innovation and Agile in Japan. What we really liked was their openness and willingness to share. They are passionate about spreading the use of Agile outside of KDDI and supporting the new wave of innovation emerging in Japan.

—David Spinks

Takeaway Use information radiators. The transparency that comes from having key information available at a glance – such as current work in progress, health of applications, and how products are currently performing and being used in real time – increases shared accountability, motivation, and quality to name just a few benefits.

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[13]Nordstrom Innovation Lab www.youtube.com/watch?v=2NFH3VC6LNs

One of the biggest challenges facing Japan is its aging and declining population. The birthrate in Japan has been below sustainable levels since the mid 1970s, resulting in a population that has been in decline since 2011. The number of Japanese people aged 65 years or older has nearly quadrupled over the last 40 years and accounts for more than a quarter of the total population.[14] Japan is the most rapidly aging country in the world. Concerns are growing about the change in demographics and the increasing stress on the economy and social services.

The government has responded to these concerns with policies designed to encourage fertility, including laws to limit working hours. These policies include those to encourage women into motherhood and the workplace, but they have struggled to overcome traditional behaviors and entrenched stereotypes. Traditionally, women become housewives, and those that do work are in low-paid, part-time jobs worked in around their children's or husband's needs. While men are expected to start a career at a well-established corporate company, there are no such expectations for women. In general, anyone aiming at becoming an entrepreneur is looked at with suspicion.[15] But a woman starting her own company is looked at as taking up a hobby rather than developing a real business or career, though women embarking on forming startups is growing.[16] In either case, entrepreneurship comes with high risk costs of social failure, which can have serious social implications in a culture that sees "failure" as deeply negative.

In reality, the country faces a difficult choice between accepting the decline in population and subsequent effect on economic growth, or open the country to migration – a historically unpopular move in such a relatively closed society. The thought of immigration brings with it concerns about rising crime, the loss of cultural traditions, and the effect it may have on the ethnicity of the country.

The discipline and conformity of hierarchical Japanese society, together with Lean manufacturing principles worked brilliantly during the Japanese economic miracle. However, it has left the country, and many others like it, ill-prepared and ill-structured for the new world of complex knowledge work.[17] Of as much concern is the effect of complacency from the culmination of the previous successes.

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[14] *Total population of Japan from 2000 to 2025, by age group*. Statista. www.statista.com/statistics/612575/japan-population-age-group/

[15] (2014). *Japan's Startup Scene*. Emperics Asia. www.asianentrepreneur.org/japan/

[16] Birmingham, L. (2016). *Japanese women crowd into startup lists*. Nikkei Asian Review. https://asia.nikkei.com/Business/Japanese-women-crowd-into-startup-lists

[17] Snowdon, D. and Boone, M. E. (2007). *A Leader's Framework for Decision Making*. Harvard Business Review. https://hbr.org/2007/11/a-leaders-framework-for-decision-making

Following decades of stubborn stagflation, the country's demographics and complacency combined with one of the highest rates of public debt to GDP in the world,[18] Japan has many challenges ahead. The widespread adoption of Agile could be just the stimulus needed to put Japan back at the forefront of innovation and productivity.

Getting On and Around

The sound of many people slurping bowls of soup or noodles may border on being repulsive to some, but in Japan it is a sign of appreciation and enjoyment of the food. Be aware that this behavior is perfectly normal when dining in a restaurant in Japan. The food in Japan, whether at a restaurant or even from a supermarket, is so good that showing such appreciation is warranted.

Japanese people may sometimes appear to be aloof and may not initiate conversation. Language may be ambiguous and reserved. In fact, people are, in general, extremely shy. Perfectionism makes people reluctant to speak in languages other than their own in case they disgrace themselves by speaking imperfectly. Japanese people are taught to be polite and that it is disrespectful to stare so they purposely avoid eye-contact. Visitors are advised to reciprocate to avoid making their guests uncomfortable. Show respect by trying to understand the rituals of communication and relationship building. For example, be humble, don't interrupt, listen intently, and learn to be comfortable with silences. At the same time, people are forgiving of any faux pas.

The meaning behind words and phrases do not always translate well between English and Japanese, and vice-versa. In the Agile community we use phrases such as "fail fast," where failure is seen as an opportunity to learn and improve. Translating "failure" into Japanese results in a term that is regarded as deeply negative.

Takeaway Watch out for hidden meanings in language. Sometimes literal translations between languages can result in very different perceptions of meaning including many words and phrases commonly used in the Agile community. "Failure" is a deeply negative word when literally translated into Japanese. To "experiment" is natural to talk about alongside inspection and adaptation, but is often seen as not being in control and an act of incompetence by the Dutch. Items on the "backlog" could be construed as being on the back burner and will never be done in Germany as well as in the Netherlands. Product Backlog grooming is a common term the world over, but was replaced by Product Backlog refinement in the 2017 version of the Scrum Guide due to the connection of the term "grooming" with child sex offences in the United Kingdom.

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[18] IMF government gross debt across the world www.imf.org/external/datamapper/GGXWDG_NGDP@WEO/OEMDC/ADVEC/WEOWORLD

A reluctance to be open, and the difference between internal feelings and what is displayed in public is described by the two words, Honne ("the true sound") and Tatemae ("the façade"). Honne Tatemae describes how Japanese people reserve the sharing of their emotions and feelings with close friends and family only. Asking Japanese people about how they are feeling in a workplace setting makes them deeply uncomfortable as the following story from Donna Marie Lee shows. Donna is an Agile Coach working in Japan, but she is originally from the Philippines.

Glad, Mad, Sad in Japan

Japanese people are well mannered to a fault. Usually calm and polite in every situation (except when a production error occurs, as with everybody else). After being here for four years, I have witnessed an interesting facet of the Japanese culture, like their constant need of perfection, the omotenashi* culture, and the myriad of ways of saying "No" without saying "No." I have never seen a Japanese person blow their top in public or at work, and they are quite cautious of saying what they truly feel. This is quite a significant revelation for me when I started working as a Scrum Master in Japan when the majority of the team is Japanese.

Just to give a brief background, I have been working as a Scrum Master in the Philippines before moving to Japan to join a large ecommerce company back in 2015. The organization had quite an international setting. However, the first team I worked with were mostly Japanese and a few foreigners who have lived in Japan for a while and have grown accustomed to the culture. I was to replace their former Scrum Master who was moving to a different department and they were mildly interested in what I can do for them.

After observing their Sprints, I asked them if they were willing to try a new format of retrospective. They agreed to the idea, so I prepared the same format (based on Esther Derby's five stages of retrospective) that was popular back home with the same activities:

0. Goal of the retrospective
1. Set the stage (check-in question)
2. Gather data (Glad Mad Sad)
3. Analyze data (5 whys)
4. Decide what to do (SMART goals)
5. Close the retrospective (+/Δ)

After review, I gave them an introduction on what it means to have a great retrospective, the new format, and we proceeded without issues until we got to step 2.

I drew three columns with a happy face, a sad face and an angry face. I told them to write on the post-its provided what made them glad, sad, and mad during the Sprint.

Their faces changed from neutral to perplexed to downright uncomfortable.

"Mad..?"

"Really? We need to say what we are mad about?"

"How to do this…"

"Oh, I don't know…"

My supposedly effective retrospective format immediately backfired. You idiot! I thought to myself. You forgot one vital point: work and emotions do not mix with these people. They were fiddling with the markers, having a difficult time trying to express something that is obviously so unnatural for them that I wanted to sink into a hole and stay there from such a careless mistake.

During the closing of the retrospective, I asked them what they would like to change in the retrospective format, even though I already knew the answer. They told me this way of gathering data was not a good fit for them. I apologized to the team, telling them that I will think of a better format that suits their style for the next Sprint.

In a work setting, Japanese people were more inclined to state facts and leave their emotions at home. So instead of such a "controversial" way of gathering data, I decided to use Keep, Drop, Add, and Improve for their next retrospective.

And indeed it was successful. They had absolutely no problems giving input in this manner. They were much more comfortable in sharing their insights which resulted in good, lengthy discussions. They told me that they want to keep this style, and of course, I happily obliged.

This experience affirms that it is vital to understand the culture and the behavior of people to decide activities that would be most effective for them. What may be successful for one team and one country might not be true for another. There is a phrase in Japanese that aptly points this out called "kuuki wo yomu" that literally translates to "read the air," meaning to understand the

situation around you and act accordingly. This unique Japanese societal behavior complements an indispensable quality that any Agile Coach or Scrum Master should hone, which is the powers of observation.

* Omotenashi translates as "hospitality" in Japanese.

—Donna Marie Lee, Agile Coach

Jean-Baptiste Vasseur, originally from France but now living and working in Japan, shares another retrospective technique for getting people to open up, share ideas, and come out with concrete actions for improvement.

Fun/Done/Learn: An Alternative for Sprint Retrospective Events[19]

In October 2018, I participated in a Scrum Alliance retreat in Okinawa. The retreat was a good opportunity for Agile Coaches to gather, share experiences, provide or be provided with some help, and, of course, to have some fun together.

During the three days, we split into teams of six members to address an initially agreed set of topics. My team came up with some interesting discussions around teams who tend to resist the adoption of Scrum. While we were exploring the reasons to explain why such teams resist, we ended up defining a framework that teams could use to self-assess their Scrum maturity based on three criteria:

- How much the team is able to deliver ("Deliver" was revised later to "Done")
- How much the team is learning and improving ("Learn")
- How much the team is enjoying their work and workplace ("Fun")

We realized later that this aligns well with Daniel Pink's ideas on autonomy, mastery, and purpose as motivators, but also that this self-assessment could be used during a Sprint Retrospective (or at a project, or phase level). And, this is how we gave birth to the Fun/Done/Learn retrospective (FDL).

How to proceed:

1. Use a large white board, or put together some large paper sheets to make the frame.

[19]Contribution based on the blogpost at https://medium.com/@jb.vasseur/fun-done-learn-an-alternative-for-scrum-retrospective-events-b3c175d2f20c

2. Draw three circles, crossing each other so that the overlapping areas are large enough to place some sticky notes inside later. Label the circles as "Done," "Learn," and "Fun."
3. Gather your team around a table, each participant having a pen and some sticky notes (you can limit the number of sticky notes per person if necessary).
4. Each participant will write down on the sticky notes all activities and Product Backlog items that they have been working on, or anything that happened during the Sprint (no more than three to five minutes should be needed).
5. Participants will then take any sticky note that they did not write, and place it on the frame, where they consider it belongs. Continue this until all sticky notes have been placed on the frame. For example:
    - A sticky note that refers to a feature implemented with a new technology that was successfully delivered would make sense to be placed where the circle Learn and Done overlap each other.
    - Some other activity may have been fun, and helped the team to learn a lot, but did not result in a significant output. In this case, it could be placed across the Fun and Learn overlap.
6. Participants take some time to review, share, and discuss by the frame. We observed that this was a good exercise to help the team discuss the topic of definition of "Done," but also definition of "Fun." ;)
7. Participants then each indicate (by placing a dot with a pen) which category they think the Sprint as a whole belongs. They then discuss where they want the next Sprint to go, and how they can achieve this.

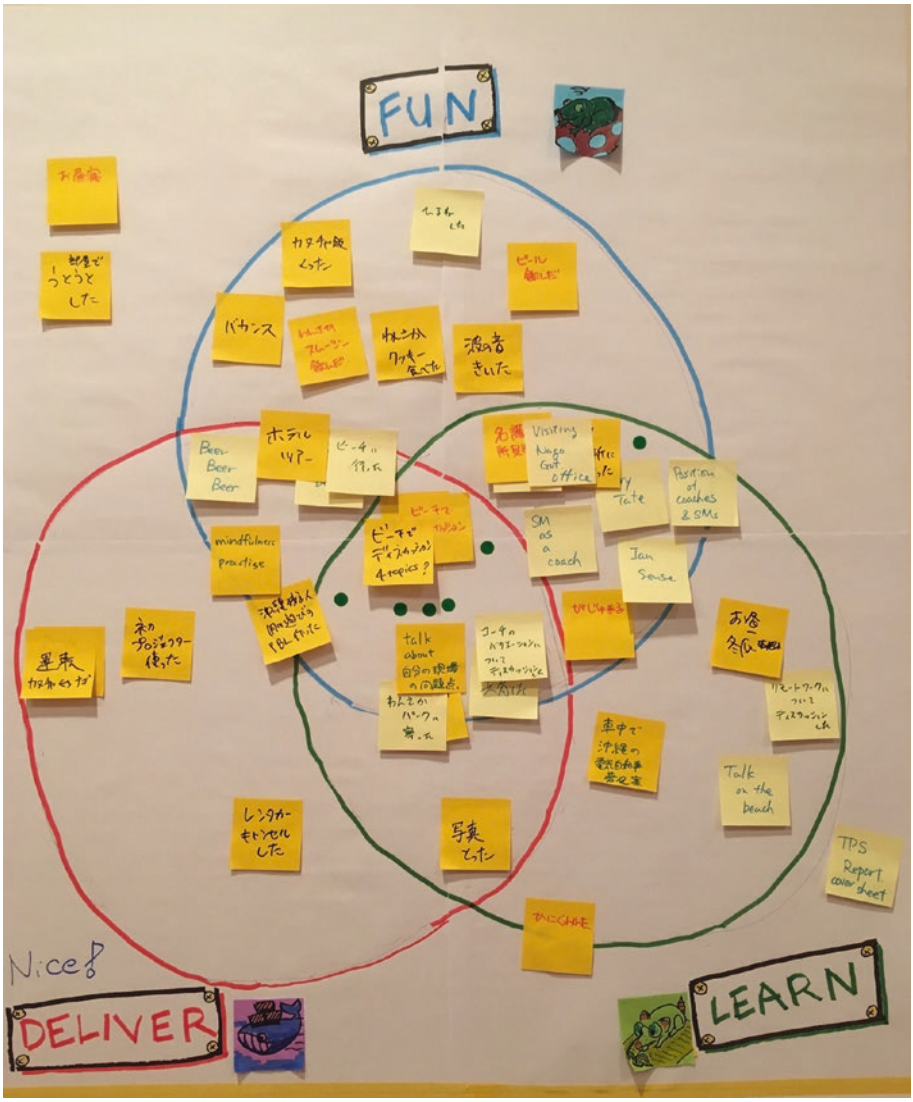

Figure 8-2. Example of the Fun/Done/Learn retrospective

Figure 8-2 shows an example of the results generated from a Fun/Done/Learn retrospective.

—Jean-Baptiste Vasseur, CEO/Agile Coach at Yamaneco

Takeaway Use a variety of retrospective formats. Retrospectives can become repetitive with little value derived from them if the same format is being used time after time. There are many great resources out there to give you fresh ideas such as those that can be found at funretrospectives.com, tastycupcakes.org, or in books like *Agile Retrospectives: Making Good Teams Great* by Esther Derby and Diana Larsen[20] or *Getting Value out of Agile Retrospectives – A Toolbox of Retrospective Exercises* by Luis Gonçalves and Ben Linders.[21]

Politeness and humbleness are core to interactions with Japanese people. They are likely to apologize for rudeness that they haven't committed, minor transgressions, your sports team being beaten, or anything else they can think of. Reciprocating with similar self-deprecation will endear you to them.

Following ceremonial protocol is important. A simple example is the ritual of exchanging business cards on first meeting, where the card is presented with both hands and with a bow. The recipient takes it with two hands and is expected to take some time to study it. This is a good example of how Japanese people are more concerned with symbolism than substance in their meetings. Harmony, courtesy, and following established rituals allow them to understand where they are in the sequence of the different phases of an event. Establishing a repeatable ritual for the Scrum events, for example, may make the Japanese more comfortable. Too much experimentation with different retrospective formats could throw them. Expect the major decisions to be taken outside of formal meetings as we discussed with the concept of Nemawashi.

Direct criticism, or the forcing of opinions would be considered impolite. For Japanese people it is appropriate to nod and smile, and avoid conflict at all costs. Creativity is needed to get people to open up and relax. In retrospectives, use of games and gathering data anonymously may help. It is important to be conscious of language used and to avoid emotional language as Donna's story demonstrated.

Great sensitivity is paid to the hierarchy with high levels of respect shown to those in higher status positions. Subordinates defer to those above them, often waiting to be invited to share an opinion or to elaborate. It could be easy to miss important insights, simply because people have not been given permission to speak by those perceived to be more senior.

[20] Derby, E. and Larsen, D. (2006). *Agile Retrospectives: Making Good Teams Great. Pragmatic Bookshelf.* ISBN-13 : 978-0977616640

[21] Gonçalves, L and Linders, B. (2014). *Getting Value out of Agile Retrospectives – A Toolbox of Retrospective Exercises.* lulu.com. ISBN-13 : 978-1304789624

Whatever the level of cross-cultural awareness, those from outside of Japan are never likely to master the Japanese art of "reading the air," the subtle body language, phrases and idioms that only other Japanese people are likely to pick up on. The risk of being labelled as Kuuki Yomenai[22] ("cannot read the air") is almost inevitable.

It is however entirely possible for relationships between Japanese and outsiders to form, as the following story about how a Japanese company grew a community around its product demonstrates.

How Building a Strong Product Community Put Astah on the Map[23]

"So where are you planning to go next?" asked the hotel receptionist in Tokyo, expecting us to list some of the usual tourist places.

"Fukui!" both David and I responded, full of enthusiasm.

The receptionist looked confused. "Why? What is in Fukui?" he asked.

We could of course have mentioned the famous Tojinbo cliffs, Fukui castle or the prominent dinosaur museum. Those are exciting attractions, they were just not the reason that we were going to take the Shinkansen (bullet train) from Tokyo to Fukui. We were more interested in meeting with trend-setters than dinosaurs – we had a meeting with Kenji Hiranabe, CEO of ESM, Inc. and CTO of Change Vision, Inc.

Change Vision, Inc was founded by Kenji Hiranabe in 2006 to develop and market Astah. As an engineer, Kenji worked with many software tools that were mechanically right but not user-friendly. He dreamed of something more intuitive, something that would align with developers' logical thought processes and their imagination, something that would allow them to share these thoughts with others. He decided to create Astah, an editor for creating UML diagrams, mind maps, flow diagrams, use cases, and much more. Models and diagrams can be shared among teams, integrating with several tools such as Confluence. Astah Professional is built in close collaboration with users, it consistently scores highly in user reviews and it is regarded as a high-quality and user-friendly tool. Simplicity, quality, and community were, and still are, the top priorities of Change Vision and Astah.

[22]Spacey, J. (2009, updated 2015). *Why You Need to Read the Air in Japan.* Japan Talk. www.japan-talk.com/jt/new/kuuki-yomenai

[23]Contribution based on the blogpost at www.redtangerine.org/2018/09/11/change-vision/

Satomi Joba, Head of Communications, gave us a tour around the office and explained a bit more about Change Vision, Inc. and how a smart strategy of building a strong community around the product helps them to succeed. She told us that one of the Change Vision team's strengths is the ability to build and maintain strong relationships with their users. Over the years they have built up an Astah community, one that everyone involved with the product is a member of: end users, programmers, marketing, communications, and resellers. The close collaboration between community members contributes to Astah's continuous success. An example of this collaboration is the "Friends of Astah"[24] initiative, launched in 2011 to thank and strengthen the Astah community further. As a friend of Astah, members are encouraged to spread the word about the product, for example, in blogs, at conferences and meetups, etc. As a reward, the member receives benefits such as a free Astah Professional license. The Friends of Astah initiative helps Change Vision, Inc. kill many birds with one stone. Satomi Joba's passion for the product and infectious personality made me want to become a friend of Astah even though my profession is not the main target audience. I was happy to settle with becoming a personal friend of Satomi and Kenji.

This word of mouth approach is a relatively inexpensive way for Change Vision, Inc to reach their worldwide target audience and potential prospects. And the friends of Astah truly believe in the product, all are users and are highly knowledgeable about the product. Who else would be better to promote Astah? As the number of license holders increases, the number of users that actively participate in the community increases, giving more visibility on how users from various industries and countries use the product, and what their needs are. This enables the Change Vision, Inc. team to continuously adapt and improve their products. Existing Astah users are kept engaged and happy, and Friends of Astah can also give the Change Vision, Inc. team visibility of the latest trends in their industries.

Satomi told us that the Friends of Astah initiative has been phenomenal. The initiative has been rewarding in ways that they could never have imagined. One friend of Astah in Brazil, Carlos, told Satomi and the team how he used Astah to create a "flood-alerting" system[25] as an open source project. It made everyone at Change Vision Inc. very proud to be part of a project that is actually helping people's lives on the other side of the world.

Satomi also recalled another milestone. A few years ago Change Vision, Inc. had its ten-year anniversary, and they wanted to mark the occasion with an anniversary party. To the surprise of Kenji and all of the team, Satomi asked

[24] *Friends of Astah* https://astah.net/about/friends-astah/
[25] *Case Study: Weather Warning Project (Brazil)* https://astah.net/astah-users/individuals/case-study/

the Astah friends to create a short video message. She did not have to wait too long for a response, the next day the numerous video messages started to pour in from all over the world. Satomi called upon her media editing skills and the result was a heart-warming video compilation that was watched by Kenji and all of the team members at the party. Everyone was touched by the enormous love and support from the Astah friends. Special moments like this gave Kenji, Satomi, and all the team the courage and desire to go on for another ten years at least. It was truly powerful and not something anybody at Change Vision, Inc. imagined would ever happen when launching the Friends of Astah program. Figure 8-3 shows one of the messages that was sent by some of the friends of Astah.

Figure 8-3. Celebration of the tenth birthday of Change Vision, Inc

Satomi showed us the Friends of Astah world map, displayed in the middle of the office so everyone could see it as shown in Figure 8-4. The map is continuously updated and shows all of the friends of Astah, a license holder indicated with a small sticky dot and grouped by country (as a Dutch citizen I was very pleased to see our little country doing well on the Astah map). Different color dots showed us the new license holders by year.

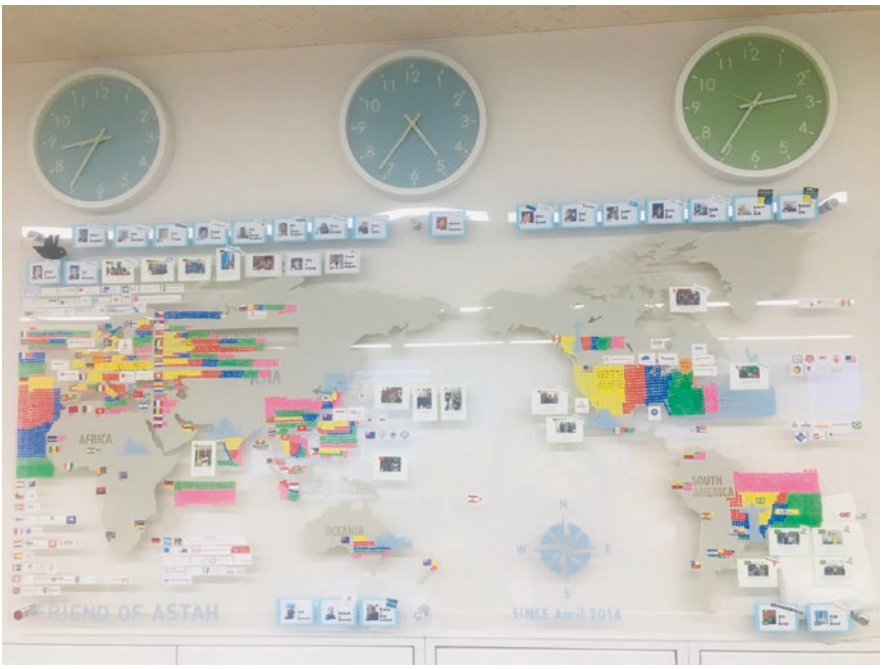

Figure 8-4. Friends of Astah world map

The map indicated that the userbase in Germany had been growing significantly. Satomi explained that the main factor of this growth was due to HIS GmbH, a company based in Hannover that provides a Campus Management System for higher education institutions across the country. HIS GmbH has used Astah to develop a web-based system for the administration of the student life-cycle, from enrolment to graduation. As their standards have spread, more universities have adopted Astah to refine their own systems. A few years ago, Kenji and Satomi flew all the way from Japan to Germany to pay HIS GmbH a visit[26] and learn more about the work they do. Additionally, they also wanted to express their appreciation to the people at HIS GmbH for being such a long-term loyal user of the product. This is part of Kenji's philosophy of fully embracing the principle of face-to-face communication which helps to build trust and relationships with users. Since the visit, Satomi told us that more communications between Change Vision, Inc and HIS GmbH emerged, and sales in German academic institutions keep on increasing.

[26]Joba, S. (2013). *Making business process transparent with users – Interview with HIS, GmbH in Germany.* Astah Blog. https://astahblog.com/2013/07/16/interview_with_his_first/

With a great product, a strong community, and smart initiatives, Change Vision, Inc. have put themselves prominently on the world map.

—Glaudia Califano

Agile Community Event and Meetup

- Tokyo Agile Community: www.meetup.com/Tokyo-Agile-Community-TACO/