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Sustainable Symphony:
Echoes of Change)))

Fusion Leadership: Harnessing the Strengths of East and West

Bali, December 6, 2024

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Welcome to Bali!

Balinese by birth, global citizen by choice

(Undergraduate: IPB University, Indonesia; Postgraduate: IPPM, Indonesia, and Athabasca University, Canada)

- 1991 – 1996: **Manager, Unilever Indonesia** (*Indonesia*)
- 1996 – 2016: **VP, Bristol-Myers Squibb/Mead Johnson** (*Asia Pacific, Europe, North America*)
- 2016 – 2021: **SVP/COO, Suntory** (*Asia Pacific*)
- 2021 – Today: **CEO, Pradewi (Thailand) Ltd.** (*Thailand, Indonesia, Canada*)

**30 years as a senior leader across two corporate cultures:
25 years in American/Western culture and 5 years in
Japanese culture**

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"1-minute movie clip."

GUNG HO



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Sustainable Symphony: Echoes of Change)))

"...the Westerner and the Japanese mean something different when they talk of 'making a decision.' In the West, all the emphasis is on the answer to the question.... To the Japanese, however, the important element in decision-making is defining the question...."

Peter Drucker

America looks 10 minutes
ahead; Japan looks 10 years.

Akio Morita

quote fancy



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Common Gripes

American Manager

- *"It takes forever for Japanese to make decisions."*
- *"Japanese want too much data—'**analysis paralysis**.'"*
- *"Japanese have 'secret meetings' that exclude Americans."*
- *"We (Americans) go to meetings to debate an issue to make the best possible decision, but the Japanese always make decisions prior to the meeting."*
- *"Japanese don't involve Americans in the decision-making process."*
- *"Japanese don't like to take risks."*

Japanese Manager

- *"They take action without understanding the problem."*
- *"Don't gather enough data; don't conduct RCA."*
- *"Don't practice plan-do-check-adjust."*
- *"Aren't data-driven & prefer to act on their feelings."*
- *"Don't take time to understand the current situation; take shortcuts **through trial-error, a risky approach** with unintended consequences."*
- *"Americans are specialists; they don't try to view problems from various perspectives."*
- *"Americans take risks lightly."*

Common Gripes

American Manager

- "It takes forever for Japanese to make decisions."
- "Japanese want too much data—'analysis paralysis.'"
- "Japanese have a hard time meeting with the Americans."
- "We (Americans) try to make the best possible decision, but the Japanese always make decisions prior to the meeting."
- "Japanese don't involve Americans in the decision-making process."
- "Japanese don't like to take risks."

Japanese Manager

- "They take action without understanding the problem."
- "Don't gather enough data; don't conduct RCA."
- "Don't be too flexible; don't be too client."
- "Aren't data-driven & prefer to act on their feelings."
- "Don't take time to understand the current situation; take shortcuts through trial-error, a risky approach with unintended consequences."
- "Americans are specialists; they don't try to view problems from various perspectives."
- "Americans take risks lightly."

“there is some truth but mostly based on perception, heavily influenced by culture”

These are Strengths!

Communication style

- Americans tend to prefer **direct communication**, while Japanese are **high-context communicators** and tend to value indirect communication.

Hierarchy and authority

- American companies tend to have a **flatter organizational**, whereas Japanese companies tend to be more **hierarchical** with strong emphasis on respect for authority (see level of bow)

Risk appetite in decision-making process

- In the U.S. decisions are **made quickly**, with a focus on efficiency, whereas in Japan, decisions are made through a **consensus-based** process, where all parties involved are given an opportunity to provide input and reach agreement.

These are Strengths!

Relationship building

- In Japan, building personal relationships, called “**nemawashi**”, is considered crucial to conducting business & building trust, unlike in US companies.

Work-life balance

- Many companies in US offering flexible work arrangements and emphasize on work life balance. Japanese companies tend to have a **culture of long working hours and dedication** to the company.

The Spirit of Monozukuri

- There is no single-word translation in English; the closest term is "**craftsmanship & perfection,**"

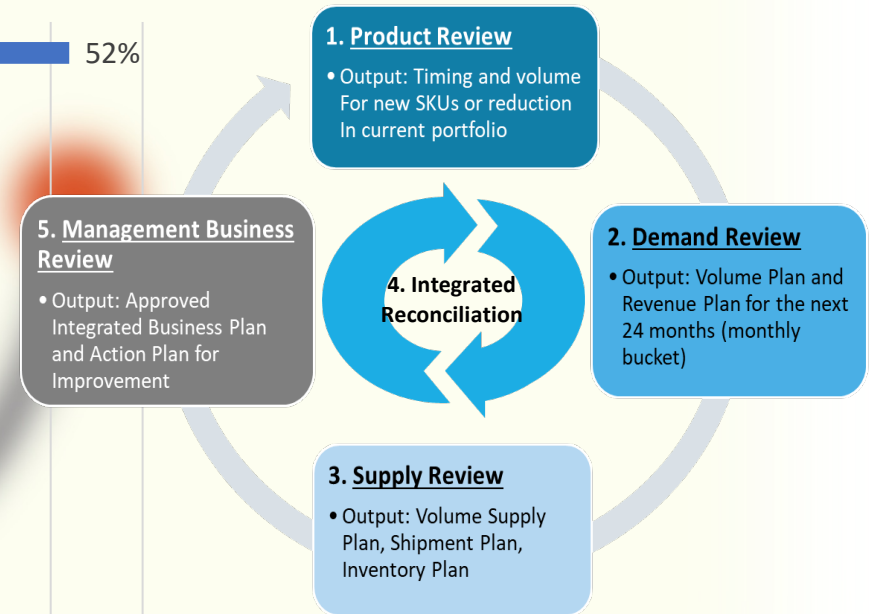
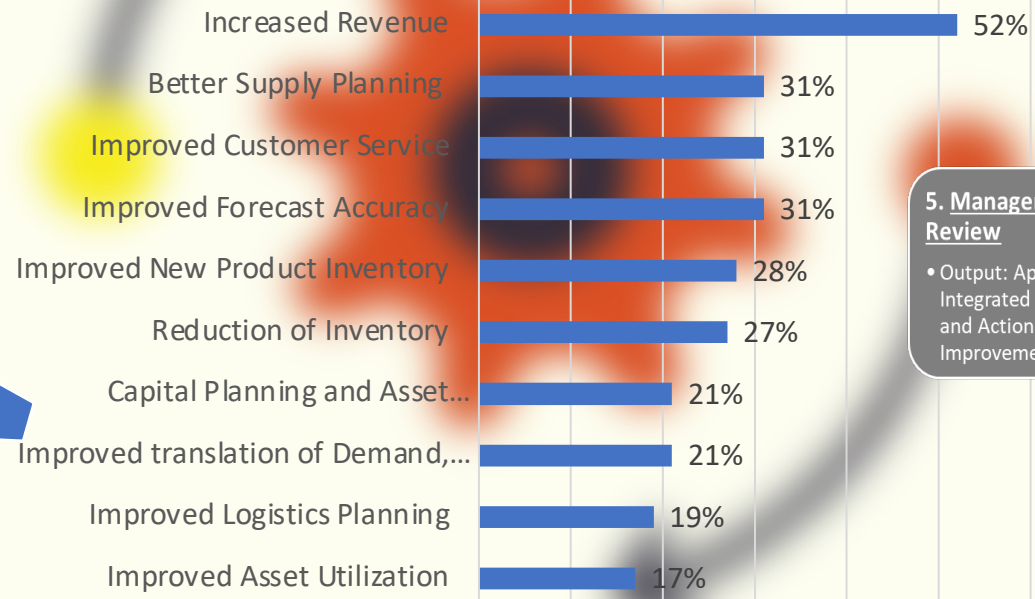
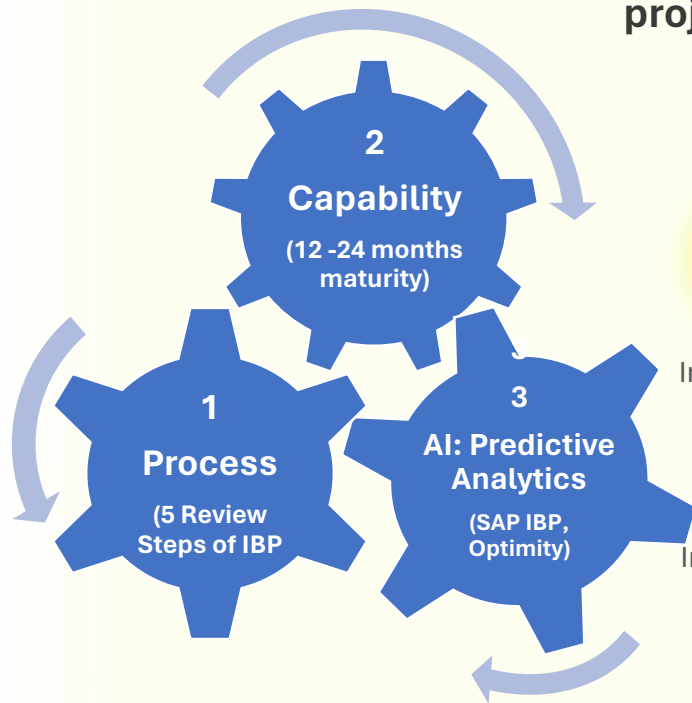
Game changer!

"Combining the disciplined Japanese cross-functional approach to problem definition with American efficiency and creativity would be a game-changer."

- Redesigned the Operations Organization based on proven best-in-class Operations model.
- BCP and quarterly Risk Assessment
- Business processes are simplified and standardized, then optimized using technology/AI
- Integrate 'nemawashi' into the modern Integrated Business Planning (IBP) process
- Develop a Best In Class 'Kaizen' and win the world Kaizen championship!
- Build Suntory's first 'Smart Factory' outside Japan!

Integrated Business Planning (IBP) (Next Gen S&OP)

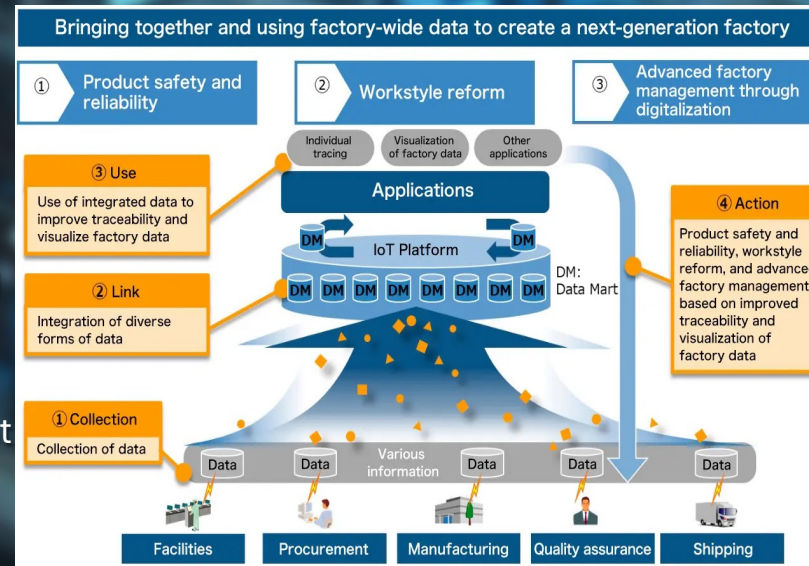
It is a proven, monthly decision-making process that aligns commercial, operational, and financial plans to project business revenue, regardless of the type of industry



1st Smart Factory Outside Japan!

AI: Predictive Analytics & Machine Learning

- **Digital Twins:** Digital representations of physical assets that can simulate and predict performance (*Siemens MindSphere*).
- **Machine Learning:** Enable machines to analyze data, predict maintenance needs, and optimize processes without human intervention (*IBM Watson*)
- **Augmented Reality (AR):** Isn't inherently AI but enhance workers in tasks like assembly or maintenance by overlaying information on real-world equipment (*Toshiba AR*)



Launched in 2020 with the following benefits

- **Enhanced Efficiency:** Optimized workflows reduce downtime, improve the use of resources.
- **Cost Reduction:** Predictive maintenance, efficient operations lead, lower operational costs.
- **Higher Quality:** Advanced sensors and real-time analytics ensure better quality control.
- **Flexibility and Scalability:** Adapt to changes in production demands faster, flexible in customized & responsive manufacturing approach.
- **Improved Safety:** Automation & remote monitoring reduce risks hazardous environments.

Kaizen

- **Kaizen** is a process of Continuous Improvement that consists of a series of Focused Improvements



Step	Kaizen	Six Sigma
1	Selecting a theme related to policy	-
2	Understanding the current situation	Define
3	Setting targets	
4	Detailed measurement (<i>IBM Watson, Siemens</i>)	Measure
5	Root cause analysis (<i>Power BI, Tableau</i>)	Analyze
6	Countermeasures & improvement (<i>Data Robot</i>)	Improve
7	Effectiveness evaluation	
8	Standardization	Control
9	Review of process	-
10	Challenges for the future	-

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World Kaizen Champion!



2020: 1st (World Champion!)

2018: 1st (World Champion!)



www.erm-academy.com Brightest (29y)

Veteran (59y)



Conclusion

- **Fusion leadership** is an **adaptable style of leadership**, that is useful in environments where multiple cultures and business practices need to work together.
- Fusion leadership encourages a **holistic view of potential business risks**, creating a strong foundation for effective risk management.
- The utilization of technology and AI can significantly improve process efficiency, but only if the **process has first been simplified and standardized**.

Conclusion

And to make it works:

- **Cross-Cultural Sensitivity:** Develop the skill to blend values from diverse cultural frameworks.
- **Flexibility and Adaptability:** Adapt based on context, leveraging various strengths, as different situations require different leadership approaches.
- **Emphasis on Shared Values:** Create a shared set of values that resonate with everyone involved.
- **Resilience and Proactive Risk Management:** Encourage creativity, diverse thinking and building resilient through proactive risk management practices
- **Process Transformation:** Lastly, to make technology work effectively in improving process efficiency, it's essential to focus on simplifying and standardizing processes first

ขอบคุณค่ะ

Khob – khun-ka
Thank you!

Terima kasih



SAWADEE
CRUNCH