

Sony's Early Leaders

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While Sony is a large and influential company today, few people understand that it all started with two visionary leaders that believed they could change the world through technological development and marketing know-how. The leaders, in this case, were Japanese men Masaru Ibuka and Akio Morita who founded what would become the Sony Corporation back in 1946 (Conway, Acquado, & Patrick, 2014). Like many great ideas, the idea for Sony began due to a casual conversation in a lab. Like many domestic startups, Sony was originally intended to cater to consumers in its own countries, but when it expanded, changed its name in order to gain a universal appeal. It seems that, from the beginning, the founders had fully expected to take their company international and to develop it into one of the leading electronics manufacturers in the world.

This paper focuses on the leadership skills of Ibuka and Morita in taking their company from a 20-person startup to one of the best-known electronics companies in the world. The second section discusses their leadership competencies. The third section talks about the element of charisma. The fourth section discusses how their leadership was transformational, and the final section concludes.

#### **Leadership Competencies**

This section discusses Ibuka and Morita's core leadership competencies, which were many. These start with the founding of the company when it did not have very much money. Such limitations meant that the management could not waste anything. They had to be resourceful. Instead of spending unnecessarily, they had to stay within these limitations by using parts anywhere they could find them. This, already, started an atmosphere of innovation and

solution-making that would carry on for many years. If an employee did not have the proper tools, he or should have to think of a clever way to still get the job done.

Leadership competencies speak to very practical aspects of management, which are sometimes rare to find. Too often, managers are simply employees that have built up seniority over the years and have networked in order to further their careers. This kind of mentality is not affordable for a startup, which needs to be based on competencies, action, and innovation. Employees often find themselves doing all sorts of tasks.

One of the strengths of Ibuka and Morita was that they had different areas of expertise and understood that, because of this, they could work well together. While Ibuka was to focus on marketing and on building the brand, Morita was to focus on technological aspects, which were just as much if not more important (Dheeman & Schildwachter). Morita's initial leadership abilities were shown early-on in his life when he chose his own path in the sciences rather than follow his father into the sake business.

At this time, Japan was an even more hierarchical society than today, so it took a lot of courage to do this. Yet, Morita had the confidence to carry this out, nonetheless, and his family allowed him to take a different path because they could see that he had a talent for the sciences. This may have seemed a bold move, however, it was the most rational and practical one. This showed a trend in Sony, that, like many new companies, it considered every problem on its own thinking rather than accepting conventional wisdom. In doing so, one often finds that the conventional wisdom is seriously flawed, and this is where an edge in competition may be found (Miles, 2011).

While Morita was young and had lots of energy, Ibuka was actually much older than he was at the time of founding. This combination allowed the founders to complement each other's

strengths and weaknesses. It is the combination of youthful energy and experience which can lead to more innovative solutions, whether in technological challenges or in management. While one had the energy to explore new solutions, it made sense to have an older representative of the company to represent it in the public eye, particularly in Japan, where elders tend to draw more respect in some circles.

### **Charismatic Leaders**

This section discusses the many ways in which these leaders were charismatic. One of the initial advantages had to do with an original mindset that was critical toward the way things were ordinarily done in the Japanese corporate world. This had to do with internal management. Typically, work was very strict and people in the offices felt tight and constrained (Vaszkun & Tsutui, 2012). At the time and still today, it was considered inappropriate to give your opinion out of turn. Things were supposed to be orderly and to fit within a strict code of conduct. However, Sony operated completely differently from this. Its leaders wanted the work atmosphere to be open, friendly and creative. They tried to make work a fun place to be instead of being too formal. Simply adding positivity to the lives of their employees had a lot to do with gaining their support in the early years, and the culture of casual work relations continued throughout the years.

Another element of their charisma came from their care for their employees, who were treated well under difficult circumstances. Technology companies today do the same, also because they are aware that they must do so if they want to compete with other companies for top talent. The shifts that Sony experienced throughout the years were considerable. The company grew very quickly by making fast innovations that were practical and affordable. In organizational terms, while big companies may have the resources needed to make large

investments, they are often slow to move when it comes time for adaptation (Mortara & Minshall, 2011). Starting small, the Sony executives understood very early that an innovative invention could come from a small number of people and still change the world. This reality changed Sony's perspective of itself, and it made employees jobs more important to them when they realized this potential.

The real testament to their ability was that these two leaders were able to remain in charge of the company so long, throughout its extensive growth process. It takes very different skills to manage a small company than it does to manage a large one and often times this result in the need to replace employees who have been with the company for quite some time (Chen & Hambrick, 2012). This is often a painful process. Yet, rather than do this, the managers had an extremely ambitious plan from the beginning and fully expected to expand into a giant company. When their expectations were met, they adapted their own skills to the management of a large corporation. This is a large part of why Sony was able to entrench itself in the marketplace.

### **Transformational Leadership**

This section discusses the transformational leadership skills in the case of Sony. These stemmed in large part from the ability of Morita to look at the technological consumer marketplace and see where there were gaps that could be filled with new inventions, resulting in all sorts of ideas. They started to put transistors in radios, developed some of the first convenient televisions and then invented the first portable music player (Gershon, 2014). All of these inventions are still around today, and their markets have expanded considerably, especially as developing countries like China start to have a larger middle class. In this sense, Morita did not just transform his small company into a giant corporation. He transformed the world itself by revolutionizing technological gadgets.

These leaders were furthermore famous for placing a lack of importance on grades. They saw the education system as failing and believed it was more about order and submission than about learning (Nagai & Natsunami, 2014). This was apparent in some of their employees too. Students were being taught to follow rules and do as they were told, but not taught to think on their own. Progress in the technology world came from creativity, imagination, and hard work. It came from the ability to conceive of something that never existed before. This is what led to such a small group of people making inventions that large corporations could not think of. After the inventions were made, they needed a unified marketing strategy to bring them under one corporate roof. Sony did that by marketing itself abroad, by keeping its products simple and reliable, and by placing innovation in its corporate ethos above all else.

One of the most transformative mindsets, however, was that of confidence in long-term growth and brand development. Ibuka strongly believed that he would grow the brand into an internationally known one. Despite having the opportunity to sell a large order of radios to a US company that wanted to print its own company name on his products, he refused (Low, 2013). This would have been to give up credit for his company's inventions. It was much more important for Sony to take credit for its innovations and to develop a name for itself in the technology world. This shows discipline by making sacrifices in the short term in order to develop slow growth patterns for the future. This is ultimately a much more responsible corporate leadership model, and it shows signs of organizational maturity (Ashworth, 2012). In addition, employees are often much more impacted positively when leading management has a vision for the company that is both admirable and simply expressed. This leads to the feeling that there is a cause and increases worker satisfaction.

### **Conclusion**

This paper has addressed the leadership qualities of the founders of Sony, Masaru Ibuka and Akio Morita. In doing so, it has considered the various strengths of their leadership skills and fundamental approach to organizational management. It discussed this in terms of their leadership competencies, which were complimentary, given that they had different yet relevant focuses. Second, it discussed their presence of charisma, which was expressed through a fun and meaningful work environment. Employees at Sony felt that they were contributing to something great and were brought along on the vision of long-term growth. Third, it addressed their transformational leadership, which was truly visionary and oriented toward long-term growth.

Despite their giant contributions to Sony, it has grown into such a large company that it may be difficult to capture the excitement that was present as a startup and its original leaders. In many ways, Sony has become similar to the large corporations that Ibuka and Morita were trying to compete with in their earlier years. A big challenge comes from staying innovative and adaptive as a large company. Unfortunately, however, they cannot be managed by these two visionaries forever, leaving quite a challenge for Sony's next generation of managers.

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