## MANAGEMENT TROUBLE FOR JAPANESE MANAGERS IN ASIAN COUNTRIES

<table>
<thead>
<tr>
<th>Issue</th>
<th>Philippines</th>
<th>Vietnam</th>
<th>Indonesia</th>
<th>Thailand</th>
<th>Malaysia</th>
<th>China</th>
<th>India</th>
</tr>
</thead>
<tbody>
<tr>
<td>Difficulty in local procurement of raw materials and parts</td>
<td>56.4%</td>
<td>67.3%</td>
<td>53.9%</td>
<td></td>
<td></td>
<td></td>
<td>51.9%</td>
</tr>
<tr>
<td>Increase in employee wages</td>
<td>80.6%</td>
<td>72.7%</td>
<td>50.4%</td>
<td>53.3%</td>
<td>79.6%</td>
<td></td>
<td>64.5%</td>
</tr>
<tr>
<td>Competitors' market shares are growing (cost-wise competition)</td>
<td>50.4%</td>
<td>57.1%</td>
<td>59.1%</td>
<td></td>
<td>57.5%</td>
<td>62.9%</td>
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</tr>
<tr>
<td>Increase in procurement costs</td>
<td></td>
<td></td>
<td></td>
<td>52.8%</td>
<td>52.0%</td>
<td>56.5%</td>
<td>55.9%</td>
</tr>
<tr>
<td>Electric power shortage</td>
<td>70.3%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>56.8%</td>
</tr>
<tr>
<td>Worker's capability</td>
<td>52.8%</td>
<td>50.0%</td>
<td>50.1%</td>
<td></td>
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<tr>
<td>Complicated customs clearance procedures</td>
<td>60.4%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>50.5%</td>
</tr>
<tr>
<td>Lack of ability and awareness of local staff</td>
<td>58.7%</td>
<td>51.2%</td>
<td></td>
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<tr>
<td>Difficulty in recruiting executive staff</td>
<td>50.0%</td>
<td>52.1%</td>
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<tr>
<td>Tax burdens (i.e. corporate taxes &amp; transfer pricing taxes)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>65.6%</td>
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<tr>
<td>Volatility of the local currency's exchange rate against the Japanese Yen</td>
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<td></td>
<td></td>
<td>61.7%</td>
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<tr>
<td>No progress in the development of local staff</td>
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<td>51.2%</td>
</tr>
<tr>
<td>Lack of thorough information of trade rules and regulations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>50.4%</td>
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<tr>
<td>Inadequate logistics infrastructure</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>54.3%</td>
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<tr>
<td>Time-consuming customs procedures</td>
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<td>52.6%</td>
</tr>
</tbody>
</table>

*More than 50% response ratio means Japanese manager feels management trouble in his country (Multiple Answer)*

- Total Questions: 64 Items
- Survey period: August to September 2010
- Source: JETRO Survey of Japanese Affiliated Firms in Asia and Oceania