

The “6 grand strategy” of land use.

All the works and businesses in the world have “laws” and “principles”. All the people who are successful in work or business comply with these laws. Contrary all those who fail don’t know these laws or don’t comply even if they know.

I went independent at age 24 years old and I am in business for 40 years now, almost all the presidents who I knew, are gone now. Everybody went bankrupt or gone out from business. The life span of 6% of companies 10 years, in 100 companies . 0.3% in 20 years, 3 companies out from 1,000, 0.3% in 30 years, only 3 companies out from 10,000 can survive. Others went bankrupt. It is a terrible number but correct number. There are only a few companies that are successful. They go bankrupt in 20 or 30 years even if they are survive 10 years.

So why? It is “human” in a nutshell. That is not because of “God”, the company goes bankrupt because of human “greed”, “gain” and “profit”. Companies that look only after turnover, profit, outlets and such, and not just the service for customers go bankrupt. But because they are human, they work hard for growing turnover and open more outlets. Now there comes out the “laws” and “principles” that commit human errors all the time. Laws and rules must be made that human keep all the time.

I’ll talk about land management although it is the same in any business. ① Create a “purpose” of the business. The land usage must serve the people and the world. ② next is the “target”. My aim in the land usage business is “to make my family happy and increase the assets”. I’ll not do the land business if my family is against it and could be a quarrel. I’ll not work hard to make deficit. The goal is that my family lives in harmony and healthy and increase assets. ③ When the goal is set then next is the “quantitative evaluation”, sum up the turnover and add up the occupancy rates, “qualitative evaluation” such as residents satisfaction, the grade of equipment, I make a plan for the target numbers.

④ Before the plan I make a “policy manual” and “strategy” of the business. So, what are the “6 grand strategies” of my land usage? The No. 1 is the “idea and objective that can win”. Here is my answer to all 5 questions of Dracker teacher. What is our “mission”? Who is the “customer”? What is the “value” for the customer? What is the “outcome”? The “plan” will give some answer. I call the most important things in this business “law, theory and principle”. No. 2. “Grasp the present condition to win”. Must analyze the Japanese markets and competitors, the vacancy rate is 30%. No3. ”Winning start”. Those lease managers who made a loser start will lose all the time. They cannot even rebuild the building. No.4. The “winner management” can raise the rent even in buildings that get older even 20 or 30 years. Only I say in Japan that please study the “age-specific rental management”. Albert Einstein discovered in the 20th century that “winning fund management” is the “compound interest”. 100 million yen will be 620 million in 10 years (20% compound interest). No. 6. At last, I am the only one in Japan who speaks about the next 3 generation in land usage “100 years to win” but nobody listens seriously. It is unfortunate. Those “rules, theories and principles” that I made myself I will protect and execute. I am confident that this is the only way that everybody can continue successfully. Is that a mistake?