

Transition in Intercultural Communication Competence: Business Communication between Japanese and Americans

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Abstract

This paper examines the transition in Japanese and American business people's intercultural communication competence depending on the flow of the times. Based on interview results of people who have business experiences with Americans or Japanese, this paper analyzes how Japanese and Americans regard each other's culture and the rapid change of the times, and how they have made concessions in order to conduct business transactions more effectively. Approaches acquired through first-hand experiences of businesspeople who achieved success or drawn lessons from their past failures offer many clues for businesspeople who wish to be active in the international business arena.

Keywords: intercultural communication competence, business communication, Japanese, Americans, making concessions, international business arena

1. Introduction

With the advancement of globalization, while people who have different cultural backgrounds are expected to cooperate with each other, many countries tend to hold on to their national interests and policy first and foremost, and this trend runs counter to globalization. It is human nature that people are apt to give priority to their own, organizational or national interests, but the sole pursuit of these interests ends up with endless conflicts. Also, the times, when the United States enjoyed absolute power have shifted and the power structure has been transformed with the economic development of Asian countries. Consequently, transition in intercultural communication competence is required and expected to occur. Presently, with the rapid change in time year in, year out, how do businesspeople respond effectively to the change in communication?

Research studies on intercultural communication competence have been conducted from multi-dimensional perspectives. The definition of intercultural communication competence that researchers have in common is "effectiveness and appropriateness" (Koester, Wiseman & Sanders, 1993; Spitzberg & Cupach, 1984). Effectiveness is described as "a judgment about the ability of the interactants in the intercultural exchange to achieve their goals" while appropriateness refers to "what is regarded as proper and suitable in a given situation within a particular culture" (Koester, Wiseman & Sanders, 1993, p.6). The components are "motivation, knowledge, skills, context, and outcomes" (Spitzberg & Cupach 1984; Spitzberg & Changnon 2009).

When the context is narrowed down to business, outcomes among the above components are especially important to survive in a world where competition is fierce. In order to obtain results appropriate to each time, people concerned are required to have different knowledge and skills depending on the transition in times. Based on previous research studies by Gelfand et al. and Wade-Benzoni et al. in 2001 and 2002, respectively, on Japanese and Americans, Japanese businesspeople tended to make compromises unilaterally. In a 2011 study by Kobayashi and Viswat, American businesspeople with a high level of intercultural communication competence understood Japanese culture and adjusted to it to a certain degree. Then, how do Japanese and American businesspeople, who have recently achieved success, respond to cultural differences or the rapid change in times? The purpose of this paper is to identify the transition in intercultural communication competence based on interview results obtained from people who have business experiences with Americans or Japanese and explore approaches toward creating better business outcomes.

2. Methodology

To achieve the objective of the paper, 24 Japanese and 21 Americans were randomly interviewed. The interviewees were asked the following questions:

1. "What cultural differences have you found while conducting business with Americans or Japanese?"
2. "What have you found to be the most difficult when conducting business with Americans or Japanese?"

While cherishing the flow of the conversation, the researcher asked more questions related to each interviewee's topic. Then, the interviewees were asked for detailed explanations on how to cope with cultural differences or challenges.

Interviews were carried out at business districts and airports on Japanese, European-Americans, Hispanic-Americans and African-Americans aged between 20 to 60 years old working in food, IT, trading companies, transportation, banking, medical companies and hospitality industries in Tokyo and Osaka in Japan, and the West and East Coasts in the United States. The ratio of males to females was 38 to 7.

Data were analyzed using the KJ method in order to increase credibility and reliability. The KJ method developed by Kawakita Jiro (1967, 1970) provides a means for organizing qualitative data by combining separate concepts through card-making, grouping, naming and chart-making. It aims to create factors by synthesizing various data or ideas.

3. Results

3.1 The transition in times

Interview results indicated a significant transition in times. With the recent boom in Japanese food and IT businesses, people engaged in Japanese restaurants, food and IT industries have remarkably increased. A new phenomenon was observed in which Japanese business owners who manage small or medium-sized companies have employed Americans and coped with problems caused within their stores or companies.

3.2 Cultural differences mentioned by Japanese

3.2.1 Priority between work and private life and the degree of observance of rules

The first cultural difference pointed out by Japanese in various occupations except for IT industries, concerned two items combined, which are, individualism versus collectivism and uncertainty avoidance in Hofstede's cultural taxonomy (Hofstede, 1991, 2001). More specifically, they were related to priority between their work, their private life, and the degree of observance of rules. Japanese people who give priority to their work regarded American behavior as problematic. "Americans here (Americans living in the West Coast) give priority to spending time with their family, so they leave the office at a fixed time even if they aren't done with their job," "Americans often don't show up on time," and "Some Americans come back to the office quite some time after lunch."

The difference in priority was also expressed by Americans in the West Coast. "I'm sometimes told to work on holidays so that I can finish my job, but I can't carry it out because I already have plans with my family," "I know Japanese people are punctual, but I often get stuck in traffic and show up late," and "In my culture we take our time during lunch, but lunch break is short in the Japanese company." The reason why IT industries indicated no challenges with regard to this issue was understood by the following remark of a Japanese working in an IT industry. "When I began working in an American company, I was surprised at the fact that IT employees can work at any place they like as long as they finish their work. Business hours are not fixed, and meetings are conducted via smartphones."

3.2.2 Communication styles

The second cultural difference was the American tendency to overrate their ability and promote themselves. Self-promotion is regarded as essential in American culture (Hofstede, 1991; Stewart & Bennett, 1991). However, this was considered as over-estimation of oneself by the Japanese. "At job interviews, Americans often say, 'I can cook various dishes,' whereas they don't have the requisite skills," and "Some Americans say, 'I have acquired special IT skills,' but when given an opportunity to use the skills, I discovered that the skills have no effect because they learned it just a little in the past."

3.2.3 Written agreements

The third cultural difference was that oral agreements have no effect in the United States (Fisher, 1994; Kinoshita, 2009). Even in daily communication in their workplace, written agreements and not oral agreements, are necessary. "When I communicate a message orally, American subordinates often say, 'I didn't know that,'" and "An American supervisor said, 'Let's hold a meeting on Tuesday,' but he forgot. I should have exchanged messages by emails and have made sure of them."

3.3 Cultural differences mentioned by Americans

3.3.1 Having an enterprising spirit

On the other hand, the first cultural difference mentioned by Americans was in relation to uncertainty avoidance in Hofstede's cultural taxonomy (1991, 2001).

More specifically, it concerned whether people have an enterprising spirit and how they make decisions. “Japanese people are cautious and hesitate to try something new;” and “Even when I make a new proposal, the final decision is up to the headquarters in Japan, and it takes so much time to hear the final decision.”

3.3.2 Communication styles

The second cultural difference was related to communication styles. More specifically, they dealt with whether people are willing to or reluctant to exchange their ideas. An American working for a Japanese company described cultural differences clearly. “Americans express whatever is on their mind. To Americans, what they think and how they feel are important. On the other hand, Japanese people tend to express what others want to hear.” He began to understand after living in Japan many years that drinking, sometimes, plays an important role in Japanese culture because only when going out for a drink after work, Japanese people do voice problems and complaints. It is indispensable for us to understand “when we view a cultural item from within its proper or original cultural context, we have a much better chance of seeing how it logically fits into the integrated cultural system of which it is a part” (Ferraro, 1998, p.34). However, it requires much time to reach a high level of understanding.

Another American mentioned a boss-subordinate relation. While in American large-scale companies, top-down management is common, in small or medium-sized companies, the relations between bosses and subordinates vary. “I wanted to discuss an issue with a Japanese boss, and said, ‘I think this way is better’ with a reason. However, with an unpleasant look, the boss paid no attention to my opinion;” and “I have experience working at both American and Japanese companies. I said casually to my American boss, ‘I don’t think it’ll work.’ However, I had no other choice but to follow what my Japanese boss said. The final decision in the American company was also up to the boss, and I sometimes had no other choice but to accept the American boss’s final decision.” As for performance reviews about subordinates, an American mentioned, “When working at an American company, my boss often gave me a casual compliment by saying, ‘You did a good job.’ However, my present Japanese boss seldom recognizes my job performances.”

3.3.3 Customers’ tastes

The third cultural difference was related to customers’ tastes (Fukuda, 2012; Samovar & Porter, 2001). “A Japanese company that achieved success in Japan hired me because the company wanted to create a market in the United States. I found out that Japanese products were too complex. Many American users give priority to handy products, and I suggested that the company emphasize the handiness of the products;” and “The taste in homepages differs greatly between Japanese and Americans. Americans prefer ostentatious and showy colors.”

The gap in product expectations was highlighted by Japanese as follows: “What product is regarded as good depends on each user’s needs. No matter how high quality the product is, it may be too expensive to users who don’t need complicated functions;” and “A famous designer in Japan came up with a refined design, but the design wasn’t popular among Americans. Americans felt that it was too complex, and they prefer simple designs with showy colors.”

3.4 Elements except for cultural factors regarded as difficult by businesspeople

3.4.1 Employees’ motivation

A Japanese restaurant owner, while looking back on his past, mentioned the risk of accepting knowledge found in books as it is. “I heard that top-down management is common in the United States, so at first I had employees work by giving all the instructions. However, they weren’t motivated to increase sales.”

Also, Japanese factory or hotel managers stated the difficulty securing employment in big cities. “People can find jobs pretty easily, so they try to change jobs often. Minimum wages are high in the State of California, so I have to come up with ways to hold down trained employees as long as I can.” In addition, IT company managers mentioned occupation and generation gaps. “Americans often change jobs in about five years, considering their workplace as an opportunity to diversify their career. The tendency in IT industries is even stronger. Employees are headhunted and recruited if the working conditions are better, and it isn’t very meaningful to give detailed explanations of the corporate philosophy. More Japanese have begun to change jobs recently, and this is also true of young Japanese.”

3.4.2 The interpretation of giving special treatment

A Japanese businessperson who commenced to conduct a business transaction with a non-Japanese company mentioned a problem of contrasting a new transaction through the outcome of past transactions with other Japanese companies. “When asked to import a machine made in Japan and install it abroad, we were told that the non-Japanese client was in urgent need. We gave priority to the machine and shortened the time it took to install the machine. Then, the company made the same request again.” When other Japanese clients are in urgent need, if we give them special treatment, they express their gratitude toward the special treatment and often try to establish long-term relations.

Non-Japanese clients tend to take the special treatment for granted and can't develop into long-term relations. They just make the same request again.

4. Approaches acquired through first-hand experiences or lessons drawn from past failures

Then, among the above businesspeople who became aware of cultural differences, how did businesspeople who achieved success cope with these differences? While the above differing cultural values and communication styles caused diverse conflicts in a variety of situations, each businessperson had different approaches to the conflicts. In the business world, it is indispensable to produce benefits, and it is vital for businesspeople to become familiar with practical solutions. The following were practical solutions offered by businesspeople.

What successful businesspeople had in common is that they had acquired empathy. Empathy is "the ability to temporarily set aside one's own perception of the world and assume an alternative perspective (Stewart & Bennett, 1991, p.152). They tried to reframe the other party's remarks and actions from the alternative perspective and come up with ways to bridge the gap in expectations between themselves and the other party.

4.1 Specific examples of Japanese businesspeople

The following were based on experiences of Japanese businesspeople.

4.1.1 Priority between work and private life and the degree of observance of rules

A Japanese manager running a company in the United States pointed out that candidates' remarks at job interviews are not valid, and mentioned the need to increase contract items in the case of breaches of contract. "At first I asked candidates at job interviews, 'Can you work on Saturdays or Sundays?' Even if they replied, 'Sure,' they actually couldn't make it and I found the replies meaningless." He decided to include the items: If they can't proceed as scheduled, they have to compensate for unfinished work on other days. Also, if employees show up late, they will be warned twice, and fired the third time; or if employees are too slow in their work, they will be dismissed.

Another Japanese manager, based on his experience of being sued, had employees punch a clock not only at their arrival and exit but also at their break and re-entry so that they would not be criticized for not giving enough break time. Furthermore, some people, based on their experience working at a multi-national company, insisted that work target should be indicated by numbers so that everyone can understand and the purpose of the day, not the week, should be communicated to subordinates.

4.1.2 Communication styles

Each culture is vastly different in mentioning one's achievements. Even when self-promotion is seen as exaggeration to the Japanese people, it is encouraged in American culture. Japanese restaurant owners decided to have prospective employees work for a week as a trial period without accepting their self-promotion at job interviews. The Japanese have decided to exchange contracts only with prospective employees who live up to their expectations.

4.1.3 Written agreements

As for oral agreements, statements made by a Japanese with experience working at a trading company for many years and conducting business transactions not only in the United States but also in other nations are worth noting. "Japanese companies strictly adhere to their promises, but other companies often fail to implement their promises. I have realized that it is vital for us to discuss breaches of contract beforehand and include the possible solutions in contracts."

4.2 Specific examples of American businesspeople

The next examples were based on experiences of American businesspeople.

4.2.1 Having an enterprising spirit

The most successful example was for American businesspeople to establish complementary relations with Japanese businesspeople. "Many Japanese are conservative while Americans prefer to try something new. I suggested that a new Japanese product should first and foremost be marketed in the United States. After making a hit in the United States, it was introduced as an American hit item to Japan, where it was also a hit." Another successful example was: "When I communicate with my American subordinates, I can make a quick decision by saying, 'That's a good idea. Let's carry it out.' or 'That's not a good idea. This idea is better, so let's put this into practice.' However, it won't work in communication with Japanese subordinates. I have them hand in their opinions on a sheet and choose some good ideas among them, and proceed with the project little by little."

4.2.2 Communication styles

As for vertical relations, both parties need to make concessions. An American boss's remarks are worth listening to. "No one wants to hear criticism, so I try not to criticize anyone.

However, when I communicate with Japanese subordinates, I am extra careful about my choice of words by saying, ‘You have a chance of making your work more efficient’ and then, suggest how in addition.” As the American pointed out, we need to understand that everything is relative.

Even if the above American who said, “I think this way is better,” intended to soften the tone by saying, ‘I think,’ ‘this way is better’ implied to the Japanese boss that the subordinate’s opinion is better than his. The American should have suggested by saying, ‘How about this way?’ On the Other hand, the Japanese boss needs to show an attitude of listening to his subordinate’s opinion in a relaxed manner since he is entitled to the final decision.

4.2.3 Customers’ tastes

With regard to collaborating to create a market, people concerned can make their business a success by establishing the above complementary relations. Some Japanese business people’s statements indicated this position. “Americans who were brought up here understand the tastes of Americans and the ways of simplifying specifications better, so their views are helpful in developing products for the United States;” and “Japanese products are recognized as quality items, but they are expensive. When I ask Americans to give presentations, they can convey messages effectively to prospective customers by emphasizing the special functions and durability of the products compared with other products made in other nations. Prospective customers understand that the products are worth buying even if the price is high.” and “Japanese people pay attention to details, so they can ensure safety and are receptive to their customers’ needs.”

4.3 Examples of those who utilized the other culture’s characteristics as merits

After acquiring empathy, some businesspeople reframed the other cultural characteristics from a different perspective and utilized them as merits. An American with experience working in Japan for many years learned to be cautious when making decisions. “Americans act very quickly, and when a problem arises, they’ll think about how to fix it. It can be a merit or a demerit. If Americans consider possible problems beforehand, they may prevent the problems.” On the other hand, a Japanese with experience staying in the United States for a long time acquired an attitude toward trying something new. “Japanese companies ask for opinions of people in various departments before making a decision. It can be a merit because they can look at one plan from multi-dimensional viewpoints. However, it can be a demerit because they may miss a golden opportunity. In the United States even if employees fail, they can have a consolation prize and a second chance. That’s why they can try something new.”

As for vertical relations, an American with experience living in Asian countries mentioned. “Asians including Japanese respect older people. Older people have a rich knowledge and experience, and young people have many things to learn from older people.” He stated that the United States doesn’t have a long history and emphasizes that youth is a virtue. It is a pity that many Americans who have never been abroad lived their lives without appreciating other rich cultures. On the other hand, a Japanese who was active in the United states mentioned some advantages of American culture. “I have worked as a dental technician in the United States. I was first asked about the salary I wanted. When I emphasized my special skills that no other dental technicians had, and made a request for extra salary, it was granted. Also, even when older dental technicians are working, I can leave the office without worrying about those people.”

4.4 Approaches toward problems except for cultural differences

4.4.1 Approaches toward motivating employees

An owner of many restaurants drew lessons from his past failures. “I decided to leave everything — from setting a goal for each month to buying ingredient — to each manager. They only had to pay part of their sales to me. The rest of their sales belonged to each manager. Then, each manager began to devise how to promote sales with enthusiasm.” One strategy is to entrust others with the right to decide (Stewart & Bennett, 1991; Tanihara, 2005), and some of the restaurants achieved significant sales. In the United States there is a much greater difference depending on each region than in Japan, so the owner gave American managers more freedom. He let each manager set goals and choose the dishes they serve after considering the tastes of ethnic groups living in that region. Other Japanese owners mentioned, “In order to motivate American managers, giving compliments is even more necessary compared with Japanese managers. Japanese managers will also be happy to receive compliments, but basically in Japanese culture, achieving goals is regarded as natural and just achieving the target doesn’t deserve a compliment. However, I often say to American managers casually, ‘You did a good job.’;” and “Many people in the East Coast have strong work ethics, and there is no noticeable difference with an increase in interpersonal communication. On the other hand, if I have more interpersonal communication with people in the West Coast, they will be more highly motivated to work.”

4.4.2 The decision of giving special treatment

Even when non-Japanese clients are in urgent need, a wise policy is to proceed with work in a usual manner without giving them special treatment. Japanese machines are recognized as efficient and durable, so even if it takes time to install machines, there is no risk of losing the market with the time it takes. Japanese owners need to consider different interpretations of giving special treatment to Japanese and non-Japanese clients, and make proper decisions in global businesses.

5. Conclusion

This paper examined how successful businesspeople with experiences working with Americans or Japanese coped with cultural differences, problems and the rapid change of the times. As advance mentin globalization progresses, similar problems are expected to surface. Therefore, approaches acquired through first-hand experiences of businesspeople who have achieved success or drawn lessons from their past failures offer many clues as to how to relate and handle issues that may arise, not only for Japanese and American businesspeople but also for businesspeople from other nationalities.

The interview results derived from this survey could not identify the impact of gender differences because there were not enough female businesspeople. In the future, more female businesspeople are expected to be active, and research on gender differences should be conducted. Also, with the recent boom of IT industries, the radical changes in employment form and workplace have been observed, and further changes need to be pursued.

At the moment, each country is likely to hold their nation's policy first and tends to give priority to national interests. Therefore, the collaborative efforts made by the above businesspeople who have established mutually beneficial relations are all the more worth noting. Learning a lot from their efforts will certainly contribute to creating a better world.

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