Communication Problems of Japanese Managers in Global Business

Naoki Kameda

Introduction

- I Problems of Japanese Expatriates
- II Possible Causes and Natures of the Problems
- III The Japanese and Communication
- IV The Role of Cross-cultural Communicator

L. Company

Conclusion

Introduction

Japan's overseas direct investment has shown a remarkable increase in the past decade. Japan invested \$41.05 billion in building factories, acquiring businesses and buying securities overseas during the 1994 fiscal year; \$17.33 billion in the U.S., recipient of 42.2% of Japanese foreign investment, \$6.23 billion in Europe which accounted for 15.2% of the nation's total foreign investment, and Asia, high growth markets, absorbed \$9.7 billion from Japan, which is 23.6% of the total investment. These figures far exceed the 1984 records. In 1984 Japan invested \$10.16 billion as a whole; \$3.36 billion in America, \$1.94 billion in Europe, and \$1.63 billion in Asia.

With this dramatic growth in the past decade the number of Japanese resi-

¹ Source: International Trade Data, 1985 and 1995, The Ministry of Finance, Japan.

dents overseas has been also increasing. Japanese residents in foreign countries in 1984 were 478,168. Ten years later in 1994 the number reached 689,895 which is over 1.5 times of the figure of 1984. Out of those who make a long stay 63.7% are those working for private business companies and their dependents, and 23.8% are students, visiting scholars or professors. North America absorbs 103,309 Japanese business people and their families, which is about 39%, Asia comes in second with 83,474 Japanese or 32%, followed by Western Europe in which 53,105 Japanese, or 20%, were living in 1994.

These two kinds of figures, representing money and people going out of Japan, clearly indicate the fact that, like it or not, we are now living in a global period which human beings have never experienced before. When they use the term global, journalists and mass media people refer mainly to the world wide phenomenon resulted from the movement of people, goods, money, and information across national boundaries. Japanese government and businesses have invested a great deal overseas in recent years because of the strong Yen and have also increased their resident staff abroad. When we look closely at those resident staff abroad, however, we can observe some unfavorable examples and problems peculiar to Japanese managers in global business.

I Problems of Japanese Expatriates

Are Japanese Managers Truly Globalized?

Some years ago I met a Japanese businessman in Los Angeles, who said he

² Those who stay in a foreign country for more than three consecutive months are called "Japanese residents overseas," which can be divided into two groups; those who make a long stay and denizens.

³ Source: Annual Report of Statistics on Japanese Nationals Overseas, 1995, Ministry of Foreign Affairs. All the figures presented for 1994 are as of October 1, 1994.

hadn't spoken English since he had landed in America three months before and saw no reason why he had to learn English. He can read Japanese newspapers, watch Japanese television, eat Japanese food, go shopping without a word of English, and even take the driver's license exam in Japanese.

Another time, in a major city in Europe, I phoned to a local Japanese consulate one day and spoke to a staff member in Japanese. The story had started the day before at our customer's office. My good friend, the president of the company, had some trouble with his passport and entry visa back to Japan. He had his multilingual secretary phone the local Japanese consulate. It is common in Europe for people to speak several languages. She first spoke in the local language, one of the three major languages in Europe, but the staff member was totally at a loss for words. Sensing he couldn't speak the language, the secretary switched into English hoping that this international language could help him explain the complicated matter to her. But, her wish did not come true. The staff member was not able to explain the matter to her even in English. The secretary gave up trying to communicate with him, and asked for my help. The problem was solved and both of them thanked me for my assistance. But, I remember, as a Japanese, that I felt a little ashamed of the fact that a Japanese diplomat could not explain matters directly related to their profession in the local language nor even in English.

Here is a composite picture of one manager. Let us call him Mr. Honto, who has been in San Francisco as a trading company manager for three years now. He is in his middle forties. One day he found a memo left on his desk. It was from one of his employees, who had become a father. The card reads, "Mary Roe was born on May 5 at 5:50 am. She weighs 7 lbs. and 9.5 oz and is 19.5 inches long." Having read this memo, he realized he was unable to get

a clear picture if the baby girl is above or below average in weight and height. As a father of four children, Mr. Honto could have easily sensed whether the baby girl was perfectly healthy if her weight had been indicated in grams. But, he couldn't get the message behind the statement as the figures were indicated in pounds and inches. This incident tells us the fact that Mr. Honto's association with his local community or the American culture has been very limited. He may be a capable businessman back home, but his limited common sense would not guarantee his position as a capable manager in the American society.

The two Japanese managers and one diplomat in the above three cases are not globalized at all, nor even localized yet.

Reactions from Local Managers and Employees

What would the local managers and/or employees working for Japanese owned companies in foreign countries think of their Japanese managers? What problems do they actually have when working together with their Japanese superiors? In order to study these matters I started to collect material in order to analyze the problems as objectively as possible. The ideal material should cover the regions with the highest percentage of Japanese businesses foreign operations. The regions in which I had my own business experiences and actually observed the words and deeds of Japanese managers were ideal. The materials should also be based on field research with interviews and questionnaires, not only essays.

Fortunately, I have found three authentic sources: (1) Invasion of the Salarymen: The Japanese Business Presence in America, (2) A Gaze from Asia: Japan seen from ten thousand employees working for Japanese owned companies,

and (3) "Japanese management style in Europe and how to work with it." All the authors of these books and article have inspected with cool eyes incidents of how Japanese managers working in the U.S., Western Europe and Asia (China, Taiwan, Indonesia, Malaysia, and Thailand) are accepted by their local employees. After analyzing all the problems of Japanese managers, using the reported incidents as a basis, I have classified them into the following five patterns Japanese managers have in common:

· Criticizing subordinates in public

Embarrassment is felt by the local employees interviewed in the subject three areas if strong criticism is given to a person in the presence of his or her subordinates. One Japanese manager in Europe received a cool reception for some time after he loudly expressed his anger to a female subordinate. Another manager in Thailand was even threatened with a gun because of the same reason.

• Giving orders in a forceful manner

In Japan bosses often hand down directives and subordinates carry out the orders without discussion. Japanese managers, who have a good deal more power over employees, deliver orders in a forceful, demanding manner, often setting deadlines for compliance. This doesn't seem to work in the target regions.

Sullivan reported, "When American managers direct key subordinates, they

^{4 (1)} Jeremiah J. Sullivan, Invasion of the Salarymen: The Japanese Business Presence in America, Westport, CT, Praeger Publishers, 1992.

⁽²⁾ Takatoshi Imada, et al., A Gaze from Asia: Japan seen from ten thousand employees working for Japanese owned companies, Tokyo, Tokyo University Press Association, 1995.

⁽³⁾ Tracey-Lee Wingrove, Japanese management style in Europe and how to work with it, Cross Cultural Management: An International Journal, Vol. 2, No. 2, 1995, pp. 42-48.

rarely use a 'Do this, do that,' order-giving approach. Instead they rely on reasoning and friendliness. This involves stating what needs to be done and then backing up the request with explanatory facts and statements about the positive benefits of the desired action."

"A frequent complaint among local managers interviewed is that Japanese managers fail to explain the whole context of the issue or problem when assigning tasks," Wingrove wrote in his article. He reports that the Japanese have tendency to issue orders rather than ask, "Please, would you mind doing such and such." Similar cases are also reported in A Gaze from Asia.

• Not expressing themselves clearly

Because of the high context nature of their culture, the Japanese are able to speak obtusely around a subject and it is likely that the other person will absorb the true meaning. Many Japanese men are brought up to speak only when necessary. As a result local staff sometimes cannot understand what the Japanese manager really means or what his objectives are. Wingrove reports that "the most conspicuous difference is that in Europe it is quite necessary to explain why we want to do what we are doing. The Japanese sometimes don't say clearly what they want to say."

A Malaysian employee working for a Japanese owned company is reported to say, "Japanese managers are not so frank and easy as their European and American counterparts and lack their power of expression. It is really hard to discuss frankly various issues on the management with them."

Kichiroh Hayashi, Cross-cultural Interface Management, Tokyo, Nihon Keizai Shimbun Co., Ltd., 1994, p.29.

• Associating only with Japanese.

The Japanese seem to see themselves as "core" staff employed by the parent firm and part of its global operations. The locals are viewed as subsidiary staff not subject to the values, rewards, or pressures of membership in the parent's organizational life. They are not allowed to attend core staff meetings focused on parent issues, and are not asked to go out drinking to build long—term bonds with core employees. Japanese managers occasionally will hold meetings in English with all staff. However, soon the locals are excused so the Japanese can meet by themselves to talk in Japanese.

Nominication with Japanese colleagues reduces tension and loosens lips sealed during the day. Sullivan has great insight into the matter and says that the manager learns who is in, who is out, and what clique has the upper hand. Moreover, under the guise of feigned drunkenness, a subordinate can offer useful criticism to his boss and receive tough talk about his own performance.

In Asia, too, Japanese managers go out for after—work drinking with their Japanese colleagues to a town where they have Japanese style clubs and Karaoke lounges whose signboards are all in Japanese. On holidays they play golf at their exclusive golf clubs again with their Japanese friends. Their wives often get together and talk in Japanese after they have shopped Japanese food at a local super market. A Thai employee interviewed said, "Here in Bangkok Japanese have their own exclusive golf courses where Japanese managers and only selected Thai can play. I sometimes feel jealous of Japanese expatriates."

The Japanese long hours of after-work communication is often called *Nominication*. "Nomu" literally means "drink," and "Nomi ni iku" means "go out drinking."

Not changing their behaviors

It seems fair to say that Japanese managers do not adapt very well to varied environments. They do what they do, and they do it in Japan, Asia, Europe, and the United States. Sullivan said, "Japanese managers do not change their behavior much when they come to America. The offices they set up in New York or Los Angeles are similar to those in Tokyo or Osaka. In sum, Japanese managers do their things regardless of where they are or how long they have been there."

"Practice consensus management with your local staff as well as amongst yourselves. Listen to the advice and opinions of the local experts," Wingrove advised and said, "There is nothing local staff like less than having a new arrival from Japan trying to implement Japanese ways without considering what is required in the local situation." The authors of A Gaze from Asia reported a similar case and introduced a complaint from local staff of a Japanese owned company, "Japanese managers are apt to neglect our local practices and force the Japanese style of management one—sidedly."

Other than the above complaints common to all the three regions, the following are also reported as frequent complaints but representing only one or two regions:

- · Japanese managers are particular about small details.
- · They are autocratic and practice centralized decision making.
- · They do not trust local employees and promote them very slowly.
- They view meetings as a forum to exchange information and to ensure that every one is brought up to date on necessary issues, not as a time for debate or group decision making.

Possible Causes and Natures of the Problems

The Communication Problem is the Biggest Problem

There is one thing that all the authors of these painstaking and time-consuming research works share with each other. They say themselves or have their characters say that the communication problem is the biggest problem. "The most important thing is communication," Sullivan has one Japanese manager say, "How to explain, how to send a message. Sometimes we are not so careful about perception, how it will be accepted."

He continues saying that the important thing is to get more communicating going on between Japanese and Americans. "If they talk more, the problems of bypassing, arguing, and arrogance will be troubling at first. But over time they will be dealt with." He even says that the lack of profitability of Japanese firms in the United States may be tied to communication problems. It may be true that success will not come until those problems are solved. Wingrove reports, "The exchange of information and opinions occurs in a very different manner in Japanese subsidiaries, compared with local businesses. As a result there are frequent cases of miscommunication and misunderstanding. One Japanese manager said, 'The communication problem is the biggest problem I think.'"

In addition, if communication plays such a vital role in conducting foreign operations of Japanese firms, it is not too much to say that Japanese managers are expected to play a responsible role as a local C.I.O. (Chief Information Officer) to successfully reach the goals of the organization. Japanese managers overseas are key and active members of the global human network of organization in charge of communication. An analysis views networks as being "regular

patterns of person-to-person contacts that can be identified as people exchange information in a human social system." Heath says, "The basic units of network analysis are the persons involved and their relationships, operationalized by comments such as 'shares information with,' 'talks to,' 'receives reports from,' or 'discusses ideas with.'"

I think the work Japanese managers are expected to assume is to practice these jobs as "to share information with," "to talk to." "to receive reports from," or "to discuss ideas with" the local employees. It is important for Japanese managers to make the local employees feel like "first string" members of the firm through these jobs. They may lose their interest and will to work if they feel they are being put aside, "Employees tend to be committed to a company if they recognize that they are a part of communication networks, even though they are not highly involved in their jobs."

In order to promote their will to work. Japanese managers actually need advanced skill of communication. They should become well qualified communicators who receive, collect and distribute information and moderate and integrate local employees.

Overseas Managers as Communicators

Scholars estimate that American managers spend 70 to 80 percent of their time communicating. Japanese managers, who are often criticized as silent men, should try to follow the American managers in this respect when they work

⁷ Robert L. Heath. Management of Corporate Communication, Hilsdale, NJ, Lawrence Erlbaum Associates, Publishers, 1994, p. 205.

⁸ Ibid.

⁹ Ibid., p. 207.

Hiroya Aoi, E-mail: New Information Media for Efficient Management, Tokyo, Nihon Keizai Shimbunsha, 1995, p. 17.

444 (444)

overseas. Besides, many of them, particularly in the three target regions, must deal with not only one ethnic group of employees from the same culture, but with employees of different cultural and linguistic backgrounds. "In each country in which the firm operates, management must contend with one or more different national and ethnic cultures. The employees within each culture will respond from a different value base, have different beliefs and different motivations." This is really true, and the managers who have such employees "must redefine reality for their firm's management. Old values, beliefs, and attitudes must be unfrozen, new ones introduced, and these then aided in being established as a new reality."

The issue has become so crucial even in America that "productivity, responsiveness, and a unified organizational direction may all decline unless diversity is deliberately managed ... Why cannot work organizations replace the melting pot with a salad bowl, in which everyone's culture, color, and creed are preserved?" Asia has been a salad bowl—a mixture of cultures—rather than a melting pot—an integration of cultures—from the very beginning. Malaysia, for instance, holds multiple ethnic groups who have their own languages in its territory, who are jointly working for many Japanese companies there. "If you speak Malay, Malaysian employees will be definitely pleased and good communication can be guaranteed. However, you will impress the employees of other ethnic groups such as Chinese or Tamil as a person who is on good terms only

¹¹ Robert C. Maddox, Cross-Cultural Problems in International Business, Westport, CT, Quorum Books, 1993, p.6.

¹² Ibid., p. 90.

Albert S. King, Capacity for Empathy: Confronting Discrimination in Managing Multicultural Work Force Diversity, *Business Communication Quarterly*, No. 58, Vol. 4, 1995, p. 46.

with a particular ethnic group being different from them." Imada continues, "When there exists multiple ethnic groups with their own strong identities, chances are it gives anyone the most favorable and fair impression to communicate in a language with which none of the ethnic groups has relations. Actually in Malaysia 'English,' the language of their ex-suzerain country, plays that 15 role." In this case, if a Japanese manager communicates well with all of his employees, regardless the ethnic differences, in English, he can be an ideal moderator and cultural integrator.

Japanese managers overseas should be conscious of their duty as a communicator. If they wish to become capable communicators, they should first try to assimilate themselves into the local society, customs and cultures. If they spend much of their time just associating with their Japanese colleagues, they cannot collect important information. If they are not capable of reasoning with their local employees logically, they cannot distribute information they have received to all those who need such information nor can they play a role of integrator.

How can we train Japanese employees to be good overseas managers? For an answer to this question I would like to point out two things. One is that an inhouse training program is too late. Secondly, English education alone cannot be a panacea for the communicative blunders. Almost all major Japanese companies have been introducing various kinds of inhouse training courses for international managers. However, I wonder if these courses or programs are really effective. One cannot become a capable communicator even if he or she is given a training in English and other subjects, which the companies have prepared to foster an international manager. I believe the cause of the blunders by

¹⁴ Imada, et al., op. cit., p. 88.

¹⁵ Ibid.

Japanese managers overseas is related to the fundamental differences in communication patterns. The language lessons and other subjects offered by firms will not help much in improving the communication skill of the overseas managers and the candidates. We will later study the importance of communication for business firms and their managers crossing national and cultural boundaries in their operations. However, let us first look into the subject of Japanese people and the style of their communication.

III The Japanese and Communication

Language Habits of The Japanese

This is rather a famous incident that happened in 1974 between President Nixon and Prime Minister Sato, which arose from the different rules of speaking and making refusals. What Prime Minister Sato said zensho shimasu was translated and understood in the American press as a "yes." However, the Japanese people well understood that "I'll take care of it," literal translation of zensho shimasu, was a Japanese politician's usual way of saying "no." There is another expression annoying interpreters that is kento shitemimasu—roughly translated, "let me look into the issue." When a Japanese business person or a politician uses this expression, he or she has never promised that he or she would fix the problem in question. On the other hand, its English translation gives its meaning as it is expressed.

Why do they have such characteristic ways of saying things or the patterns of linguistic expressions? Here are some features that characterize Japanese language habits, which I picked up from what Kinoshita enumerated in his thought provoking article:

- 1. When Japanese converse, each goes to great pains to respect the other's position. Care is taken to avoid hurting the other's feelings and to go along with the other rather than make a fuss over small details.
- 2. Japanese often speak in a roundabout manner. Thus Westerners who prefer expressions that are right to the point, tend to feel that the Japanese are evasive in their speech.
- 3. Japanese make frequent, even excessive, use of polite language, including terms of respect in regard to others, terms of humility in regard to themselves, and formal language that elevates the tone of discourse.
- 4. Japanese state with an explanation and follow it with the point of what they are saying. Westerners state their point first and explain or justify it afterward. This relates to the syntax of the Japanese language, in which the verb comes at the end of a sentence and the subordinate clause precedes the main clause.
- 5. Japanese dislike specifying things down to the last detail or do not feel it necessary to go into great detail when speaking with one another.

We can further elaborate on the item No. 5. The Japanese people merely sketch the outlines and expect the listener to be able to fill in the gaps and to figure out the parts which have been left unsaid. If one is not good at figuring out those unsaid parts, he or she will be graded as a person slow to understand. Because they prefer not to state things clearly, Japanese in general are said unskilled at using words to report facts accurately or to express their opinions logically. Also, many Japanese seem to be, in a sense, perfectionists. This per-

¹⁶ Koreo Kinoshita, Language Habits of the Japanese, *The Bulletin of the Association for Business Communication*, Vol. 51. No. 3, 1988, pp. 35–36.

fectionism proves a curse to them when they start learning a foreign language. They don't try to speak out simply because they are afraid of making mistakes. The attitude of "Least said, soonest mended" never helps a student of foreign language become a good speaker of any foreign language. The representative of a Tokyo-based English language school once said, "Don't worry about mistakes. Just one word makes a story, but no word makes nothing." He is right indeed, and this is one of the causes why Japanese managers do not express themselves or are lacking in explanations when giving orders.

The Japanese and English

Takao Suzuki says in his "Language as a Weapon" that Japanese education has so far not really planned its English curriculum for self-expression. "The Japanese generally, and Japan as a whole, seldom felt any necessity to express themselves in English on the international stage until the 1960 s, when Japanese growth came to maturity...Since English-language study began in earnest in Japan during the Meiji era (1868–1912), English study and English education have mostly concentrated on importing superior Western science, technology, advanced research and modern social systems..."

And, this style of English study and education are still encouraged by some schools and teachers as well. An American youth studying abroad here in Japan for a year recently told me about his experience at his Japanese school. The English teachers, he said, teach English grammar that American people do not know nor use at all, but no English for self-expression. The English test Japanese universities give as a part of their entrance examinations is reported so dif-

¹⁷ Takao Suzuki, Language as a "Weapon": What does English mean to Japanese, *Japan Update*, Summer, 1987, pp. 26–27.

ficult that even an educated native speaker of English cannot get a passing score. From the viewpoint of learning communication skills in English there seems a gap between what the Japanese students study and what the Japanese business expatriates really need.

The English language has truly become the most important international business language. Here is a good passage referring to the widely used English as International Business Language for Japan and the Japanese business people. "Japan as a trading nation deals in English with many nationalities, many of them with their own distinct and non–British, non–American varieties of English—for example, India, and South Africa. For the Japanese, educators and corporate representatives alike, effective communication on a global scale in English is far more important than merely mastering the forms which accord with U.S. or British business English practice."

"English as International Business Language," the author referred to, is English free from particular usage peculiar to the native users in terms of idiomatic expressions and slangs, and widely used even by non-native speakers in the world. It is a kind of English an Indonesian would use when trying to communicate with a Japanese in Hong Kong. In other words, it is a *lingua franca* used between those for whom English is not their native language, but the only common language in which any sort of communication is possible.

I know some Asian entrepreneurs who used interpreters for the first several meetings with me, but later started learning English so that they and I finally were able to talk with each other in this *lingua franca*. Our direct talk without asking for interpreter's help benefited us a great deal to deepen our business

¹⁸ Chadwick B. Hilton, Japanese International Business Communication: The Place of English, *The Journal of Business Communication*, Vol. 29, No. 3, 1992, p. 263.

and human relations. They were all company presidents from Indonesia, Thailand, and Taiwan. I once asked, knowing that their foreign business counterparts were all the Japanese, why they learned English and not Japanese. Here are some reasons they raised in reply to my question:

- · Japanese is so difficult that I must study too many *Kanji*, a Chinese character, *Katakana*, the Japanese syllabary, and *Hiragana*, the Japanese cursive characters, to learn.
- · Its pronunciation is rather difficult comparing to that of English.
- · All the Japanese managers I do business with speak and write English. I thought it would be convenient if I were able to speak and write English even a little and if not good English.
- · I often feel uneasy and worry about what an interpreter is talking to my counterpart and if my message is correctly conveyed.
- · Almost all the business documents, and all the documents relative to international trade practice, are written in English.

Thus, the more international business chances expands, the more the language territory of English as *lingua franca* will extend. We must also remember the role English plays as a neutral language in the management of local employees consisting of different ethnic groups as we discussed before.

Linguistic Capability and Communicative Competency

It is often said that the Japanese people are very poor at communicating with foreigners because they are not good at English. This notion presupposes that Japanese cannot communicate well because they cannot speak or write English

well. Neustupny objects to this common saying and proposes his theory that they cannot acquire a good knowledge of English because Japanese cannot communicate well. He divides the communication behavior into grammar which includes pronunciation and vocabulary and communicative competency irrelevant to the grammar. He claims that "if Japanese, in comparison with other nationalities, face difficulties in their communication with foreigners, that is not because of the (lack of) English grammar but due to the (lack of) ability of communication in English, particularly the communicative competency irrelevant to the grammar." He further says the root of communication problems of Japanese is the Japanese people's mysterious behavior such as saying nothing when they should say something, speaking a lot when they are expected to be quiet, taking a formal attitude when they should be relaxed, not greeting when

I, too, believe that linguistic capability and communicative competency are two different things. Although a manager may not be good at English, he or she can be good at communicating with foreigners through his or her warm personality, technical or sales power, confidence, sensitivity toward another culture, etc. On the other hand, there are other types of managers who would fail to become good communicators even if they have a good knowledge of English because they are lack of these temperaments. As Neustupny said, we can say it is definitely a false idea that one can raise his or her communicative competency only if he or she improves foreign language skills.

I also believe that we can and must train the Japanese people, who are said to

¹⁹ Jiri Vaclav Neustupny, Communication with Foreigners, Tokyo, Iwanami Shoten, 1982, pp. 40-41.

²⁰ Ibid., p. 54.

be not good at international communication, to acquire the skill of communication. The editor of Nihon Keizai Shimbun wrote in his essay column, "There is an opinion which claims that the Japanese language is suitable to emotional expressions while English and other European languages have logical organization. Our language may have such an aspect, but whether or not a narrative is logical is essentially a question involved with training and preparation." As the first step, we should reform the present composition class at elementary and secondary schools. I feel one of the things lacking in Japan's education is this Japanese-composition class. There actually has been such a class for a long time, but teachers have not taught "how to write compositions." If statements full of artistic effect are written, for instance, in correct chronological orders, such a composition is good. In the Western world, however, compositions written in classes are returned with the teacher's comments pointing out grammatical mistakes, mistaken expressions or lack of consistent logic, etc. Through writing many compositions, students become able to express their thoughts clearly and accurately.

This type of teaching style should be incorporated into the elementary and secondary school education system. Together with this composition class, speech and debate classes should also be introduced into their educational system. School children should be encouraged to express their own opinions with logical reasons in order to have their thoughts clearly understood. The education authorities should put emphasis on teaching how to construct logical arguments in Japanese rather than debating whether or not to teach English at an early stage. In the U.S. this type of education starts in elementary schools. We should start training Japanese school children, too, so that they become able to arrange

²¹ Nihon Keizai Shimbun, March 19, 1996, p. 1.

their thought logically and express it persuasively. Only with this educational background on the side of Japanese youth, universities and business companies can make their "International Manager Training Program" effective and successful.

In this day of internationalization and in an information-oriented society, communicative competency is truly required for Japanese managers overseas. The communicative competency is the ability of presentation, and listening comprehension, too, which can be the core or the basis of persuasion, negotiation, and integration, all of which the Japanese managers are supposed to start assuming immediately after they land on foreign soil. How, then, could the Japanese managers, the victims of the absence of training in skills to present their own ideas logically in Japanese-language classes, improve their communicative competency and become respectable managers overseas? We will discuss this question in the next paragraph.

The Role of Cross-Cultural Communicator

Managerial Communication in Human Network

The authors of A Gaze from Asia repeatedly claim in their book that "we cannot expect the improvement of the negative image of Japanese and Japanese companies simply by increasing the volume of communication. What is really needed is the improvement of the quality of communication." The question is how we can improve the quality of communication. It may be too natural to say, but all that Japanese managers overseas should do first is to know what communication is and how to improve their communication skills. They should

²² Imada, et al., op. cit.

know that "communication which influences the local employees' image of Japanese people is not only one via a language. The systems of promotion, fringe benefit, paid holidays, etc., are also communication via money, time, facilities, etc. They are important parts of communication which influences the image formation on Japanese a great deal."

In order to understand the nature of communication which is required for these managers, it may be useful to distinguish between interpersonal, intergroup, and interinstitutional communication. The managers overseas are equally responsible for these three dimensions of international and cross-cultural communication. The word "interinstitutional" is defined by Kolde as "the information channels between the different national entities in a multinational firm; that is, the vertical conduits between the headquarters company and the affiliates companies in different countries, and the horizontal conduits among the affiliates themselves. These are all transboundary conduits through which international managerial communications must pass." Although "the purely international dimensions of managerial communication are inherently interinstitutional in character," I would rather like to place the prime importance on interpersonal communication and its cross-cultural dimension. I will discuss the reason in the later part of this paragraph.

One of the keys which lead the cross-cultural communication to success is, I believe, the manager's stance on differences between home culture and host culture. They should practice the following suggestions given by Mr. Masumi Muramatsu, one of the topnotch and representing simultaneous interpreters in

²³ Imada, et al., op. cit., pp. 90-91.

²⁴ E. J. Kolde, *The Multinational Company*, Lexington, MA, D.C. Heath and Company, 1974, p. 140.

²⁵ Ibid.

- 1. Be ready for differences.
- 2. Recognize differences.
- 3. Understand differences.
- 4. Appreciate differences.
- 5. Enjoy differences.

Managers overseas should take the above suggestions by Mr. Muramatsu as they are. In other words, they should be aware that there is a difference in home culture and host culture, understand the difference between the two, and have communication competency to function with the difference in a totally appropriate way.

Japanese managers responsible for their companies' international operations should have a clear consciousness of their role as one important part of the global human network webs. Today many Japanese manufacturers and large trading companies are striving to build a global human network to connect the top management in all the far-flung offices around the world. The task is crucial if these managers are to gain a broader view of the whole company's operations. With this in mind, some companies hold international conferences periodically and some others use the Internet to maintain this world wide web of human network. It is nothing new these days that a C.E.O. directly sends and receives emails to and from the company's overseas managers in order to exchange business information. These managers, attending international confer-

²⁶ NHK, "Let us play in English: This in my Japan," August 24, 1987, "Is Japan Wonderland!?", Masumi Muramatsu.

ences or exchanging emails with top executives and their colleagues of other countries, must work as a bridge to link their local company, its parent company in Japan, and other affiliate companies. They are the representative of the parent company and at the same time should be the representative of their local company as well. This two–faced role is what I believe Japanese managers should play as cultural integrator, or cross–cultural communicator, of the global transnational company. When it comes to the job of this integrator in the global human network, we must remember that interpersonal communication should be of prime importance. The Japanese say, "Jigyo wa hitonari," which means "Management success depends on people." Also, "Ross Perot, the founder of Electronic Data System Corporation, once stated that management success is people success. If the integrator does not succeed in understanding, motivating, and working well with other people, in influencing their behavior and decisions, then all of the technical and conceptual skills are for naught."

Transnationalism: Glocalization of Business

Wingrove writes, "Many (Japanese companies) could be regarded as multinational, but few have made the transformation to the global transnational corporation." He listed the reasons why he can say so; control and R&D are still held in Japan, many manufacturers have not moved beyond the "screwdriver plant" phase, Japanese multinationals give less autonomy to their overseas subsidiaries than other western multinationals, etc. This is not a proper place for me to rebut what he claims even though I have some objections, but one problem with his statement is that he has not given the definition of "global trans-

²⁷ Maddox, op. cit., pp. 90.

²⁸ Wingrove, op. cit., p. 43.

snational corporation." What actually is the global transnational corporation?

Some people say that "transnational" is the ultimate internationalized phase of business coming after "global" and "multinational," and it means the internationalization of business based on the thought of "symbiosis." Each national company cooperates with each other across national boundaries while having its own core skill or technology holding true all over the world. However, I think the recent case of alliance between Ford Motor Co. and Mazda Motor Co. and the appointment of a Ford executive as new Mazda president gives us a much better insight into the nature of "transnational." This incident is strongly symbolic from the viewpoint of the birth of a "transnational company." National boundaries are fast disappearing today in global economic activities. One perfect case in point can be seen in the auto and electronics industries. Many years ago, France and Italy claimed, while pushing for restrictions against Japanese cars from the U.S., that if the U.S. added value was less than 80 percent, a product should be considered Japanese. Subsequently, however, it was reported that "they will surely have trouble keeping Honda out, since it will soon have over 80 percent local content." Some Ford cars have to be considered Japanese since so many of their components are produced by Japanese companies, and now their bodies, too, are being assembled by Mazda. These are, in a sense, nationalityless products. These non-national products will soon make the comparative statistics of market share of "Made in Japan" versus "Made in U.S.A." and the resultant controversy futile.

Not only products but also executives and managers have recently become transnationalized. Mazda Motor Co.'s new president Henry Wallace, a Scotsman by birth, married an Iranian, and started his career at Ford Europe in the U.K.,

²⁹ Sullivan, op. cit., p. 27.

has so far assumed the position of top executive in five countries before coming to Japan as the Mazda's executive vice president. New Mazda with its such a globalized executive will soon become a true symbol or example of a "transnational company."

This kind of personnel move across nations and among far-flung subsidiaries is nothing new for Mitsubishi Shoji Co., Ltd., the world largest trading company. Their TV plant in Pittsburgh, opened in 1992, invited its plant manager from their U.K. subsidiary. Their group companies have been exchanging their personnel with each other. At their Tokyo headquarters, they actually take no heed of the nationalities of their whole personnel worldwide. Moreover, they have just started in April, 1996, their "wide area recruiting system." This new system will allow Mitsubishi America, Mitsubishi Europe, and their new Asian H.Q. to be established in Hong Kong, to freely appoint their local staff to new posts across the borders within their own territories; MA for North and Latin America, ME for Europe, Africa, and Middle East, and new Asian H.Q. for the whole Asia. The newly appointed personnel will be subject to the same payroll standard as that of their Tokyo staff. Their aim, according to the company spokesperson, is partly to motivate local staff who have been regarded just as assistants to a new arrival from Japan and whose services have been limited in their locality. Their new system can be called "glocalization" of personnel management; the mixture of localization and globalization. According to the reporter in the article, many other Japanese companies have also started to intro-

³⁰ Mitsubishi won the first place, exceeding its rival and ex-winner Mitsui Bussan, in the list of Forbes 500, 1995, the list of top 500 companies in terms of sales turnover in the world, excluding American companies. Its 1994 gross turnover is US\$175.8 billion. Forbes. November 1995.

³¹ Nihon Keizai Shimbun, March 1, 1996, p.11.

duce this type of glocal personnel management. This new trend shows a sign that Japanese companies have started heading toward transnationalism, which should be highly welcomed.

Conclusion

It is a matter of course that difficulties exist in the relationships between the expatriate and the local employees. Misunderstandings or cultural obstacles are frequent and many. Misunderstandings are usually caused more because of a lack of appreciation for the context and values of the other culture (either home or host), than the actual misuse of language. We cannot expect perfect and faultless management in the operations of Japanese owned companies overseas. However, Japanese managers could minimize misunderstandings and blunders caused by miscommunication. Tehy have to learn a new way of acting. They have to develop new awarenesses, and new behaviors. Their efforts will be well rewarded when the local company has become an important part of its parent company which will make the transformation to the global transnational company.

In order to become this transnational company, the parent company has to further tighten their relations with its subsidiary companies in the world through the use of English as their *lingua franca* for their interpersonal communication. And, each subsidiary company should try to follow the corporate culture as a whole, while keeping its own identity backed up by its local culture and customs. At the same time a new corporate culture of its own will have to be fostered, too. Japanese managers in global business should try to speak out more, encourage their local managers and employees to work for themselves and the

460 (460) 同志社商学 第48巻 第1号 (1996年6月)

company as well, and to make their own work place which can contribute to the betterment of their parent company. That is the duty of cultural integrator or cross-cultural communicator, who can then be called real C.I.O. (Chief Information Officer) with assurance.