



Japanese business culture

Mr Suzuki

Negotiation with the Japanese from a westerner point of view

A case study of the Influence of Culture on the Negotiation Style



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Introduction

The Westerners' stereotype of Japanese culture is that they bow all the time, eat only rice, love karaoke and play every day videogames in their spare time. The videogames and Pokémon are a good example of Japanese entertainment, which are adopted in the Western world.

In our research we want to investigate if this culture is really that stereotypical. What is the Japanese culture? How can we describe these cultures?

We will look at this culture from the business point of view. In business you can discover the culture. When you look for example at the negotiation process: this is an extremely good case. While you are negotiating with another culture the differences between your culture and the other will come to the daylight.

Our main purpose in this paper is to explain and illustrate the Japanese negotiation style. The negotiations with the Japanese will be seen through the glasses of Westerners. We will only investigate the theory and the reality from their point of view. In that way we will restrict ourselves.

To answer our main research question we set up a case study. We wanted to investigate the negotiations with Japanese from a practical point of view. What are the experiences of a Westerner (Swede) who has already been negotiating with Japanese for ten years? What are the main obstacles and the key factors to success when you are negotiating with them?

To answer our main and sub questions we will first describe the Japanese cultures according to Hofstede's model. The next step we take is to interview the Managing Director K. Klingborg of the Scandinavian Branch of Konami Europe.

1. Hofstede's model in Japan

In this part we will give a brief explanation of the Japanese model according to Hofstede's dimensions.

1.1. The Power distance dimension

In Japan there is a deep gap between the decision makers and the other members of the company, between the highest executives and the lower ones. The most relevant example of the power distance in Japan is the relations between superiors and subordinates. Finely graded and heavy hierarchies and narrow spans of control characterise Japanese companies. The power and the decision-making process is very centralised, the power could be described as autocratic, in the hands of a single person, even if informal teams dominate large companies. Feudalism, rank and work are some aspects of Japanese culture. Japanese are highly rank-conscious. Within the individual Japanese office, plant or business unit, the number of levels increase over time and fine distinctions develop in status which have little to do with actual decision-making ability and much to do with seniority.

1.2. The Individualism-Collectivism Dimension

This dimension points out the extent to which persons see themselves as individuals. The alternative collectivist side states that people's identity derives primarily from affiliation with multiple work and social groups.

In Japan, which is considered as a collectivistic country in Hofstede's model, the integration of the individual into the groups and in teams (in Japanese companies) is considered as a principal goal of the society. The leader is like the father of the group (the children within the family). All forms of social training, indoctrination, education but also punishment sometimes have such integration as their core assumption and ultimate objective.

Japan is a particularistic country, which means that the way a person should be treated depends on the group or category to which this person belongs. Relationship becomes an essential part of society and prevails over tasks and business itself. In Japan, relationship is a key element to live in harmony ("*Wa*") with others and to regulate the every-day life. Relationships are more important than rules, and in order to maintain a relationship it is obvious to help friends first, no matter what the rules say.

1.3. The Masculinity-Femininity Dimension

Feminine societies are more likely to stress on life quality and intuition at the work place than masculine societies, which stress on careers and decisiveness with aggressive goals for profits. The Japanese position on this dimension is a rather masculine one. They set heavy emphasis on achievement and competition within the family. The (almost) complete absence of expressed emotion, feelings and spontaneity during interactions dominates Japanese organizations. Respect for elders in Japanese companies is a primary value, but equality of women only a secondary one. Japan is a masculine country; it's very hard for a woman to reach high levels in companies. Seniors are usually much respected and play a very important role in a paternalistic culture.

1.4. The Uncertainty Avoidance Dimension

All societies organize their activities and belief systems (principal traits of a shared culture) to deal with the uncertainty of life, because many events are unpredictable. The Japanese position on the Uncertainty Dimension is noticeably extreme compared with almost all other cultures, they hate uncertainty, and everything must be under control without any surprising event.

Japanese organizations are likely to have a very strong need for:

- Double-confirmed information: The person who makes the first decision is not the “big boss”, but his “right hand man”. Then, this decision will be confirmed (or not) by the big boss, after consultation with the team or some specialists. Once the consensus has been found, the final decision can be confirmed.
- Quality control with very high standards and quality circles, zero defect movement.
- Clear, unequivocal language in technical situations, with some very competent specialists, which intervene in each field within the organization.

Therefore the Japanese culture stresses more on personal and group discipline, selflessness and unhesitating sacrifice, acceptance of responsibility, unquestioning cooperation and unfailing commitment, development from the earliest age of a group-centred consciousness, and a culture-wide emphasis on subtlety and quality.

2. The main features of the Japanese Culture

2.1. The Japanese Business Organization

The “core” of Japan is the bureaucracy, parliament and big business; on top of that, there is a high degree of cooperation between Japanese business and government.

Harmony and reciprocal obligations are the basic elements of such an organization. The Japanese company is often considered as a “family” for their employees who spend 10 to 12 hours per day in their offices. A company consists of a social unit but also of an efficiently designed performance unit and of a hierarchical structured control mechanism. The combination of efficient performance and group-orientated workflow is realized by Quality Circles. This quality orientation is very important with “Just In Time”.

2.2. The Decision-Making Process: the consensus

Japanese decision-making is very different from western countries. The slow decision-making is not an unwillingness to take risks, but a necessity that the decisions have to be based on a consensus of all persons involved, all these persons involved in a team or in the negotiation process must get the trust of the leader.

This is the *ringi* system, all the members are involved in the process, and the top management delegates its authority to the group. It allows bridging the gap between lower and higher levels of management.

2.3. The Japanese Seniority System

In Japan a person's rank, status and position in society is determined by factors such as education, age, sex, family name, occupation, physical features and birthplace. This is one aspect of the "feudal Japanese society", democracy is practised more in form than in substance.

Japanese shows respect for the age. The rank and status of each company within the vertically organized Japanese society is also determined by the size of the company, its position relative to competitors, the prestige of board members, marketing accomplishments, the status of the industry sector and the number of foreign subsidiaries. That is why titles are extremely important in the Japanese society, it means prestige and respect, and legitimates the use of power by the leader, "the father".

3. Some more concepts of the Japanese culture

Rather than basing their attitudes on universal principles, the Japanese developed a very precise system of doing things based on form and process which is called *doh* ("way", this is the way of behaving, a accepted and shared system, which is culture). There is a literally prescribed way for doing everything, and conforming to this *doh* is the official, sanctioned morality. We will refer to the Japanese system with numerous of typical concepts which explains the "Japanese's style".

- The *face*

In Asia and especially in Japan the "Face" has an important role in the life of each individual. The idea behind the term "Face" can be compared with dignity, self-esteem and pride. But "Face" doesn't "belong" to Japanese individuals in the same way that Europeans mean when they refer to "myself". A Japanese individual's Face "belongs" to the people who make up that individual's net of relationships and obligations.

Loss of Face is also much different from suffering individual embarrassment or shame because it involves many people, and many different sensitive connections.

If Japanese loses his Face, he or she is left alone in a world, where the family and the community is the most important thing in someone's life. An individual is more or less unimportant and if the communicational network is once destroyed all connections to the family the firm and the culture are gone forever.

- The way of *wa*: a Zen based social ethic to become "living Buddhas"

This word can be the ancient one for the concept of "peace and harmony", literally means "circle", and that is the secret of Japan's economic success based on employees and managers functioning in human-oriented "circles" (instead of the series of horizontal layers favoured by Western management). *Wa* incorporates mutual trust and unselfish co-operation between management and labour, harmonious relations among employees on all levels, unstinting loyalty to the company, mutual responsibility, job security, freedom for competitive pressure from other employees, and collective responsibility for both decisions and results.

- The *Amae* Concept: the “oil of life”

In practical terms, the Japanese do not feel comfortable or right in any person-to-person relationship that does not include *amae*. By this, they mean a feeling of complete trust and confidence (*Shinyo*), not only that the other party will not take advantage of them, but also that they-in business or in private life-can presume upon the indulgence of the other.

- *Uramu*, that hostile feeling

When Japanese subordinate’s efforts to *amaeru* (“to get the *amae*”) are ignored, or rebuffed, he is deeply upset. When Japanese is unable to express his *amae*, the essential ingredient for the development of trust and faith in another person, a type of hostility called *uramu* emerges. A deep-seated feeling or resentment against the person or the system involved manifests this hostility.

- *Enryo*: Holding Back

When the Japanese do not feel comfortable with someone, when they can not practice *amae*, they practice *enryo* instead. This is their way of opposing things or avoiding situations that might result in their incurring unwanted obligations or in disrupting harmony.

The Japanese will ignore strangers and the outside world or maintain a hostile stance towards them because their ability to feel and practice *amae* with others is based on long-term, face-to-face relationships.

- *Giseisha*: “the victim syndrome”

The Japanese also suffer from an unusually strong susceptibility to injury as a result of their *amae* expectations. It gives them a tendency to become totally dependent on others. They practice this *Giseisha* whenever anybody interferes with their aims or efforts. This feeling is most likely to be triggered when someone on which they have been passively dependent does something they feel is against their interests. This “victim mentality” also carries with it an underlying need to get revenge to wipe out the insult.

- *Chokkan To Ronri*: “intuition VS logic”

This expression refers to a logic that is not absolute, but cyclic or elastic. In general terms, Japanese thinking tends to be intuitive instead of logical.

- *Koto To Shidai Ni Wa*: the circumstantial truth

The truth in Japan has never been based on absolute principle but has been expressed more in *amae* or human terms as something that is relative and depends upon circumstances and context (the Japanese culture is a high-context culture that means that we must understand what is said or made by making a link with the situation or context). Just as circumstances and obligations change, so does truth.

In the former traditional Japanese society, a primary rule was to answer that would please the inquirer, even if it was not truth.

Nowadays in Japan, individuals are strictly limited in what they say because they cannot act or make decisions independently. This often puts the Japanese in a position of not being able to say anything about a certain matter.

- *Tatemae/Honne*: The two-faced syndrome, the Japanese Yin Yang

These 2 words are always used in tandem and play a significant role in all areas of the Japanese life. *Tatemae* that means, “face” or “façade” of something, is used by the Japanese in order to mask one real intention. *Honne* on the contrary means “honest voice” and refers to a real intention. In all contexts (social, business or political), these contrasting principles are used to cloak the truth or reality of situations that might be inconvenient or embarrassing. For example they might protect their own dignity by pretending they prefer their old car to a new one, when they actually can’t afford it. This is a very important of the Japanese culture where frankness is not the most important value, but tactfulness is very important.

4. The Japanese Negotiation process

Some authors like J. Graham and Y. Sano identify 4 stages common in every negotiation process: the non-task sounding, the task related exchange of information, persuasion and concessions and agreement. What are the main features for each one when negotiating with Japanese?

4.1. The non task sounding

The aim of these preliminary talks is not to discuss business but to learn about the other, his background and interests, in order to build trust and to know how to communicate during the following stages of the negotiation. This stage is very important for Japanese, who want to create a harmonious relationship before talking business.

For top-level executives, this is generally a trivial and formal ceremony. What is said is not as important as how things are said. During this stage, top executives are making gut-level judgments about the integrity, reliability, commitment and humility of their counterpart.

For the middle-level executives, Japanese usually suggest dinners, where business talks are inappropriate; the Japanese is looking for integrity, sincerity and cooperative attitude. (Wa).

The giving of gifts on first meeting often occurs. The negotiators have social talks about families, hobbies, and common interests. Friendly relationships are deliberately sought after by the Japanese, they will expect both parties to be treated with meticulous fairness, with demands and need from both sides.

“We are a non profit organization so we should not think of profit or advantage over our friends” or *“we are all part of the same family, so it is not too important to bargain hard to get a better deal”*: this is what the Japanese want their counterpart thinks during this stage. Other rituals like *meishi*, the traditional exchange of business cards occurs within this stage.

Recipients receive business cards with both hands while bowing slightly. They take several seconds to look closely at the name and the other person's company, its address, and the individual title, before beginning any conversation. By doing this, Japanese know the rank and the importance of their opponent.

4.2. The task related exchange of information

According to J. Graham and Y. Sano, it is the most important step for Japanese, once the "Wa" is established. In Japan, very long explanations come first, then, the proposal. The Japanese may ask a lot of questions and give no feedback. During this stage, Japanese negotiators will remain polite and won't disrupt the harmony in order to maintain "Wa". However, they can use the "behind the scene activity" or the "under the table" activity or channel. Requests for price reductions, discussions of new items, notification of news or expression of emotion are easily handled informally, without losing face for the negotiator himself.

The Japanese are information oriented or information hungry. They ask many questions. They may contribute to their assessment of the situation: for example "how do you see the current market situation?" They will often ask the same question sometimes several times...

4.3. Persuasion

A clear separation doesn't exist between the previous step and persuasion. Persuasion is accomplished primarily behind the scenes, and vertical status relations dictate bargaining outcomes.

When Japanese are threatened or attacked by others, they see it immediately as unfair. They see themselves as weak, defenseless, and victimized. Thus, foreign negotiators may avoid using aggressive tactics with Japanese.

Japanese use several tactics, based on the Sun Tzu's *Art of War*. The aim is to subdue the enemy without fighting by using the mental wisdom. "To defeat the enemy psychologically is the superior strategy. To defeat the enemy militarily is the inferior strategy." For modern Japanese Businessmen, these lessons continue to be valued. Patient intelligent work-collecting information without giving anything away- is a key to the strength of Japanese business.

This curiosity amounts to tactical intelligence work, that's why Japanese are always very well prepared, they learn very quickly from everything. Industrial espionage can be used sometimes.

Japanese have a persistent and aggressive determination to achieve one's end. Japanese are like "bulldozers" because they fear losing face if they don't push, and because they have the conviction that their position is correct, and because this masculine society values aggressive goals. However, aggressive tactics are not shown, they prefer the use of tactical questioning. Japanese ask a lot of question because in his or her decision-making process everyone must be convinced, it can also be a device to maintain a sense of control, of having the upper hand, or a device to buy time or to conceal a lack of knowledge.

During negotiations, Japanese often use avoidance strategies like the use of silence (silence is golden and the mouth is the root of all trouble) or wait and see. They use also numerous of non-verbal expressions that we will detail in a further part.

At last, Japanese always work in a team, even during negotiations, we often don't know who makes the decision, who is the leader. They do not give much feedback.

4.4 Concessions and agreement

The Japanese are not accustomed to negotiating a contract in an item-by-item way. Usually they seek a broad agreement first. This first agreement is reached once the relationship has been established.

The Japanese approach to reach the consensus is a holistic approach. They look at all the issues simultaneously whereas Westerners have a sequential approach (quantity then price, then delivery...). In Japan, it is customary for the seller to give the buyer a discount or a premium (called *sabitsu*) when agreement is reached in order to demonstrate friendship and sincerity.

Verbal contracts in Japan remain widespread because Japanese men continue to value their public reputations (their face) as men of honor. For instance, the Japanese will conduct million dollar transactions based on no more than oral agreements. The traditional attitude towards the written document has been that it is only a tangible acknowledgement of the existence of a relationship between 2 parties, rather than a precise instrument that establishes and defines the relationship. In practice this means that the Japanese believe the specific items of a contract are always, even after signing, open to re-negotiation, if the circumstances change.

To conclude on this part, foreign negotiators must not forget that building a relationship based on trust and reciprocity is essential, if they want to succeed. Usually, Japanese are very well prepared, negotiate within a team and don't want to disturb the harmony between partners. To reach the consensus and some compromises, it's important to have the willingness to build an ongoing relationship on the long term. A pre-negotiation is often very useful.

5. The case study

The characteristic of a case study is that one studies only a few objects. These objects are often studied more detailed and in a larger extent. We have chosen to interview Kenneth Klingborg in order to get a practical knowledge from dealing with the Japanese culture and negotiation styles.

5.1. The Interview with Klingborg of Konami

We made an interview (on the phone) of the Managing Director (MD) of the Scandinavian Branch of Konami Europe, Mister Klingborg . Our main goal was to get a good impression about people who are negotiating with Japanese. We will begin with a brief description of the company Konami. After this introduction of the facts we will present the outcome of our interview and analyse it.

5.1.1. Konami

Konami Corporation was founded on March the 21st in 1969. The current chairman Kagemasa Kozuki started at that time a jukebox rental/repair business in Osaka. In 1973, Konami started to manufacture amusement machines. From that time, they have grown very fast. The business enlarged with computer games, exercise

entertainment and toys. The started also a toys shop chain in Japan, which includes 700 shops nowadays.

5.1.2. The Japanese culture in his view

The MD mentioned that a good impression from the start is everything. If you mess it up in the beginning, you can forget your deal. One of the main mistakes is to take a seat before the Japanese take one. You have to wait till the Japanese take a seat. After they are settled, you can take a seat. It is very rude to take a seat before the Japanese. Other behaviour, which has to be avoided, is talking around. The Japanese do not like it to talk about nothing. If you do not have to say anything important, just keep silent.

It is also very rude to use first names. You have to use titles and last names when you want to make a good impression on the Japanese counterpart. Politeness is a good feature that is very valuable for Japanese. It is advisable to be very polite and emphasize that they are the best company in their branch. You have to make complements all the time. That is inherent in their culture.

The MD's experience is that the Japanese work always in groups of three, four or five people and that the whole group is responsible for the deeds of an individual in the group. If some of the businessmen in the group make a mistake, then the whole group will be blamed, not only the one who made the mistake.

The hierarchy is very strict in Japan. If the boss says no then it is no. You cannot doubt about his answer. You have to follow his opinion. In Japan you can show how important you are with your business card. You have to put as much as possible titles on your business card to prove that you are an important person. It gives them the impression that you are the right person to talk with. The sitting procedure during a dinner is also based on hierarchy. The salesman who has the highest turnover is sitting next to the boss. The higher your turnover, the closer you are sitting to the boss.

In one way the Japanese are very direct and on the other hand very indirect. The directness is expressed in situations when they meet people for the first time. If they do not like you they do not hesitate to hide their feeling. If they are not interested in you, they start for example looking outside the window. On the other hand if they do not like a kind of behaviour of you, they do not say it directly. Only when it disturbs really them, they will ask you not to do it again.

The Japanese strive to build a long-term relationship with everybody. They have to know you before they trust you completely. They will ask you a lot of questions and want to know a lot of information. So they can extract if they will trust you in the future. That is the MD's reason why you will get your first social invitation after three or four days, not earlier. They first have to trust you.

5.1.3. The Negotiation

▪ Non Task Sounding

Let's start with the beginning of the meeting. When you have an appointment at 9.00 AM, your arrival time have to be 8.58 PM. It is very rude to be too late at an appointment with Japanese. The consequences can be real when you arrive to late (see anecdotes). When the counter party arrives the Japanese shake hands to welcome

them. It is also their way of welcoming people. The only difference is that they sometimes do not look in the counter parts eyes when shaking hands. The first time Klingborg takes always a present or gift with him. For the following meetings it is dependent of the relationship with the counter party.

The exchange of business cards is a very important ritual. The business card reflects the Japanese's face. When they give you their business card you have to take it with both hands and look at it for a while. You have to make complements about his card and emphasize that he is important. Do not put it in your back pocket. It is his face so threat it carefully.

It is really common in Japan to take your laptop with you during a meeting. While they are listening to your presentation, they can answer their mail or searching on the web. It is not rude at all to answer your mail during the meeting it is common in Japan.

After the meeting the Japanese become totally different people. They start drinking and do not talk about business at all. The next day they do not point to the drinking night. They behave as if nothing happened last night.

▪ **Task-related exchange of information**

You have to come to their office if you are the selling party and you have to get their trust. If they trust you they will trust the company you work for. It is very rude to talk about other people. They are not interested in rumours and gossips at all. They are really straightforward and do not like it to talk about nothing.

Do not speak your own language during the meeting. It is very rude in their eyes to speak your own language. You give them the impression that you are hiding something. The paradox is that they speak Japanese all the time with each other. That is not rude at all.

During the meeting the Japanese ask a lot of questions. Most of the time, they want a reasonable explanation. That is the reason why they ask most of the time why-question. You have to be prepared very well. It can happen that they will ask the same question a couple of times. It is even common that they interrupt you to ask questions during the presentation.

The task-related exchange of information stage can take two years before you go to the next phase and can sign the contract.

▪ **Persuasion**

The Japanese have to be convinced that you are the best partner to deal with. To persuade them, you have to emphasize their benefits. If they deal with your company, then they will gain extra profit, more market share, and so forth. You have to emphasize all the time that they are the best and that you are proud to do business with them. When they are dealing with you, they will make profits.

Treating is the most terrible way you can image to convince them. It will maybe destroy your relationship with them. At least you will lower your reputation when using treating as a persuasion tactic.

You never will meet the highest person in their hierarchy at first. They will check first if you are important enough to meet the big boss. A lower person in rank will make that decision.

- **Concessions and agreement**

The main problem in negotiations is that the Japanese want to make the rules. You have to make a proposal and they will make a counterproposal, which you cannot refuse. For example you want 10.000 pieces and they make a counter proposal of 1 million you have to expect that. Otherwise the negotiation will fail.

When you both agree on the proposal you have to sign the contract. Signing the contract with your own name will give the Japanese counterpart confidence. If you do not agree after you signed the contract it is useless to start a legal procedure. There is always a clause in the contract that a legal procedure has to take place in Japan. There are of course the Japanese laws valid, and that makes you chanceless when you want to sue your counter party. Klingborg's experience is that you cannot re-negotiate the contract. All the contracts he signed were fixed for one year and both sides could not re-negotiate it. After the contract end the Japanese can decide to continue with the agreement for an extra year or end the contract.

5.1.4. The Anecdotes

In this paragraph we will give some anecdotes about the negotiation process. All the stories came to the daylight while we were interviewing Klingborg. Before every anecdote we will give a description of the situation and how you have to interpret it.

- **The hierarchy**

In these anecdotes you will see examples of the Japanese hierarchy. Sometimes it is a verbal expression of hierarchy and sometimes a non-verbal expression. All the situations give a good impression of the hierarchy in Japan

The chairman of Konami visits Europe. Everybody from all the branches has to come to Frankfurt, the headquarter of Europe. When he arrives with his wife, all the employees have to line up and have to applaud when they come in. Konami was always profitable, till the chairman took off a year to travel with his family. In that year, 1986, they make a loss. After this event the chairman fired the members of the board and decided that this was his last long vacation. The company was too dependent of his leadership.

When Klingborg was working for Nintendo, he and the other European had a meeting with the Japanese boss. Everybody had to give a presentation during that meeting. One of the Germans arrived half an hour too late. When it was his turn to give a presentation, the Japanese boss gives a sign that he was not allowed to give the presentation. The German had ruined the boss reputation with his late arrival.

The chair of the visiting party is always a little bit lower than the chair of the Japanese boss. When the negotiation is successful you will get the higher chair, which has the same height as the boss' chair.

- **The Swedes versus the Japanese**

This anecdote is a good example of the direct manner the Swedes communicate. You can see that Sweden is a low-context and that Japan is a high-context culture.

Klingborg went to a bar with his counterparts. They drank a lot of whiskey and after a while the Japanese starts to tell a joke. He translates the joke in English and he and his colleagues have to laugh. Kenneth found the joke not funny and did not laugh at all. The Japanese asked him why he did not laugh and Kenneth explained carefully that he did not like the joke. Then the Japanese suggested to tell the joke again but then in Japanese. Kenneth agreed and the Japanese told the joke again, but in Japanese. The Japanese asked afterwards if he enjoyed the joke now and Kenneth said that he found the joke funnier now. He was really glad that Kenneth liked the joke now and they were both satisfied.

- **The face**

This story is a good example that the boss cannot lose his face in the Japanese society. He is the superior and when he decided, you cannot change the situation, even when you have a better or more profitable solution. In fact the boss completely agrees with the critics, but he cannot agree, because he is superior. When the time went on they can change the situation without losing his face.

The Scandinavian office had a direct telephone line with the Japanese headquarter. The costs for this line were 40.000 € per year. When the MD of the Scandinavian suggested changing the line for a cheaper one, the Japanese boss told him that that was impossible. If you sell more, than it is not necessary to change the line. The Japanese solution was to sell more, instead of change it for a cheaper one. After a year the Japanese suggested to change the line and they changed it.

- **The collectivistic society and the wrong impression**

Both of the anecdotes will speak for themselves and are typical Japanese cultural behaviours.

The Japanese close sometimes their eyes during a presentation. They give you the impression that they are sleeping, but that is not true at all!!! They close their eyes to focus on what you say during your presentation. It is a Japanese manner to concentrate.

All the employees of Konami have a pin. That is a comrade sign, it emphasizes that you are working for the same company. If you lose the pin you have to write a letter with a really good explanation to get a new one.

Conclusion

The whole report shows that Japanese and Westerner's negotiation styles are different on one hand but similar on another hand. Japanese and Western cultural values are often diverging. For instance, Japanese culture is very masculine and hierarchical. Hierarchies are very important in Japan, whereas Swedes (for our example) emphasize equality between males and females and strive to a flat society. These are the main diverging features between the two cultures.

However several similarities come to the daylight during our investigation. The Japanese and Swedes cultures emphasize the cooperation and the teamwork within an organization. They are always looking for the active participation of the subordinates in order to reach a harmonious consensus. Furthermore both parties often remain polite and modest in every situation. So, the atmosphere of the negotiation between Japanese and Swedes is very constructive. The two parties try to avoid an open conflict and want to maintain the harmony (or *wa*) during the process in order to build an on-going relationship based on the long-term.

In the interview of Klingborg we can notice that Japanese style usually fits with the theory, but on many points, we can notice a paradox and some differences between the practice and the theory. For instance, the theory says that most of time, Japanese want to socialize for a long moment before the negotiation process. This is not the case for Klingborg who told us that non-task sounding occurs during the whole process, not only before the real negotiation. Another major difference is that in Klingborg's experience "when Japanese say no, it is no". You cannot discuss the decision of the negotiator. In the theory we are told that Japanese culture is a very high-context culture and that they are very indirect. In Klingborg's experience, they seem to be very direct and low-context, they use exact words. At last, when Klingborg negotiates with Japanese, they emphasize written contracts in order to avoid any confusion. This is a strong link between the parties, they both striving to a written contract, which means trust for them. However, in the theory it is the contrary. The theory says that Japanese often use verbal engagements, because they trust the other party already before signing the contract.

It is possible that these differences come forth from the fact that Japanese try to adopt the Swedish or Western negotiation style. Indeed, Japanese are very flexible and prepared before negotiations with foreigners, they read books about the foreign culture more than Westerners do. Or, last explanation, these meetings are very formal, low-context and very direct because Mr Klingborg works for a branch of Konami and they work for the same company with the same corporate culture. A strong link already exists and there's no real need to build the relationship.