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BUSINESS NEGOTIATIONS BETWEEN THE AMERICANS AND THE JAPANESE

INTRODUCTION

Culture in the business world is not the same as general culture.[1] Even native speakers of the language learn business manners and practices, and cooperative culture when they actually engage in a real life setting. It is not sufficient in business for foreigners to understand only the general culture of the target language, since culture and language cannot be separated (King), yet language study by itself is inadequate. Language is constructed with a strong influence exerted by the culture. Indeed, when studying language, it is incumbent upon us to study the culture of the target language (Bloch).

Even though culture cannot explain everything (Fallows), and the business world shares a common ground regardless of culture (Bloch), fundamental features of the Japanese cultural values result in a different negotiation discourse from that of English. The purpose of this paper is to study how culture and language differences influence business negotiations between Americans and Japanese, and to demonstrate how business foreign language courses can better accomplish teaching these differences.

AMERICAN CULTURE VS. JAPANESE CULTURE

The Training Management Corporation has identified ten crucial cultural values. Table 1 shows the comparison of American and Japanese cultures' values for each variable.

[1]A version of this paper was presented at the Association for Global Business National Conference of 1996, and appeared in the proceedings.

Table 1
Cultural value differences between Americans and Japanese[2]

Variables	American	Japanese
Nature	Control over nature	Harmony with nature
Time	Present and short-time future orientation	Past and long-time future orientation
Action	Doing for the sake of success	Doing and Being part of an organization
Communication	low context	high context
Space	private space	public space
Power	equality emphasis	hierarchy emphasis
Individualism	high individualism	low individualism
Competitiveness	competitive	cooperative
Structure	low structure	high structure
Formality	informal	formal

The Japanese put their highest social priority on harmony because 1) Japan's geographical characteristics—a country surrounded by an ocean—emphasizes its isolation; 2) Japan has the densest population per square foot of any country in the world, which creates an unavoidable close proximity of persons to each other; and 3) Japan is a homogeneous society (McCreary). Fulfilling one's position in a harmonious way, or in other words, not destroying the harmony of the society by taking an inappropriate position in relation to others, is important for Japanese people. The Japanese try to avoid conflict between parties in order to keep harmony. Also, Japanese society is described as a strong vertical society (Nakane; Graham and Sano; McCreary; March). *Sempai-Kohai* [senior-junior] relationships determine the role of a person in most situations, and this hierarchical system controls Japanese social life and individual activity (Nakane; McCreary).

Equality, a horizontal relationship, is strongly valued in the United States but it is less important in Japan (Graham and Sano). Americans emphasize equality of power, therefore there is less adherence to hierarchy, and rank levels may be bypassed to get the work done more effectively or efficiently. On the other hand, the Japanese see power in the

[2]Training Management Cooperation (D-4; D-6).

context of hierarchy. When the Japanese conduct a business negotiation, the first thing that they do is to find out their position. They want to know who has the higher social status and where they themselves need to fit in among the people involved in the negotiation. The relative power relationship is first determined by the size of the companies. If the companies have a similar status, they move on to see who has the higher title, and they want to know who is older. There are clear lines drawn among social levels in Japanese culture. The Japanese do not feel comfortable until they find out where they stand in terms of relative power, therefore they have a hard time accepting the concept of equal power between the parties in the business scene.

The concept of time also varies from culture to culture. For instance, Americans think in a time frame that emphasizes the present and the short-term future, while the Japanese think in a long-term range. These conceptual differences cause different perspectives between CEOs in the United States and in Japan. American CEOs try to improve and maximize their companies' profits in their limited time frame of contract terms with a company rather than considering long-term cooperation as success. On the other hand, Japanese CEOs see companies as eternal structures, and consider themselves as history-makers for companies. They even imagine how companies will be in a hundred years. This does not mean that the Japanese do not care about making immediate or short-term time profits. However, they see current profits as a long-term benefit rather than in a one-time-only benefit.

Fundamental social structures make the Japanese language an other-controlled and other-controlling language (McCreary). Japanese is often cited as an "indirect language," unlike English, which is a self-controlled language. Indirectness is not only important, but in fact critical for Japanese people in order to maintain harmony and/or save face. Even though the Japanese have strong opinions, views, and issues on a topic, they usually avoid stating them directly, preferring to use roundabout phrases and softened statements. By leaving room for the other side to disagree with issues and to take those disagreements into account in making their own statements, the Japanese avoid offense (Gakken).

Americans think that the Japanese spend more than enough time exchanging information, as mentioned before. For Americans, standards of cooperation and assertiveness are not the same as for the Japanese. In other words, the Japanese do not think that an American's maximum

cooperative effort is sufficient when compared to their own acceptable level of cooperation. The term collaboration may also be interpreted and handled in different ways between the two cultures even though both American and Japanese negotiators like to use a collaborative style. It is also true that the Japanese interpret American assertiveness as aggressiveness, since an American's standard of assertiveness is stronger than what the Japanese consider reasonable.

JAPANESE NEGOTIATION STYLE

The Japanese decision-making process is more group oriented; each member of the group prefers a more passive mode of decision making (Stewart et al.). The members of group-oriented decision-making try to avoid on-the-spot decisions while Americans try to get to the point as quickly as possible (Shinnittetsu).

There are four stages to a negotiation process in general: 1) nontask sounding; 2) task-related exchange of information; 3) persuasion; and 4) concessions and agreement. The Japanese spend much time on stages one and two while Americans do not spend much time on these stages (Graham and Sano). Since so many people live in such a limited space in Japan, knowing the negotiators on the other side is important. Unlike Americans, the Japanese try to get as much information regarding the other negotiators before they actually conduct the negotiation (McCreary; Graham and Sano).

While Americans recognize that a deal is a deal and consider it a firm commitment, the Japanese see a deal more as an intention within the context of a long-term relationship, where the relationship takes precedence over the terms of the deal (Graham and Sano; McCreary; March). From an American's perspective, the Japanese make negotiations more ambiguous due to the fact that they do not want to jeopardize a relationship over just one deal. It is not always necessary for the Japanese to reach an agreement at the end of a discussion. If they cannot reach an agreement, they may change the subject, or ignore the matter (Jones). They do not want their inter-personal relationship to be interrupted by an issue. Establishing one's position within a group is more important as well as the relationship with the other side of negotiators. Roger Fisher and William Ury emphasize the importance of focusing on the issues over the positions, and separating people from the issues in their book *Getting to Yes: Negotiation Agreement Without Giving In.* The American

negotiation process and strategies reflect this. However, these principles are not the first priorities of the Japanese.

Americans also think that the Japanese do not clarify details at the negotiation table, and that they leave an opportunity for behind-the-scenes negotiation. This Japanese negotiation process is often perceived as dishonest negotiating by Americans, who put all the information on the table and expect negotiations to be straightforward (Graham and Sano). In addition, the Japanese put more weight on their trust of the other party rather than on the information on the table. This misapprehension can be explained by priority differences on making an agreement between the two cultures. While Americans negotiate issues point by point and reach an overall agreement, the Japanese make an overall agreement first, then get into details (March).

When complications occur during a negotiation process, reactions of Americans and Japanese show a sharp contrast. March (168) summarizes their reaction differences as follows:

Japanese

1. Are less concerned with the pressure of deadlines;
2. Retreat into vague statements or silence;
3. Require frequent referrals to superiors or the head office;
4. Appear to slow down as complications develop;
5. Quickly feel threatened or victimized by aggressive tactics or a stressful situation.

Western

1. Are more conscious of time and feel the pressure of deadlines;
2. Become aggressive and/or express frustration sooner;
3. Often have more authority for on-the-spot decisions;
4. Fail to understand, or else misinterpret, Japanese non-verbal behavior;
5. Experience a breakdown in the team organization, with members competing to out-argue the Japanese and control their team.

If either side does not understand their counterparts' reactions when complications emerge, no positive result will be produced. Having a basic knowledge of business counterparts' culture and their business prac-

tices is essential for cross-cultural negotiations. Since any business transaction is done using language as a communication tool, we need to consider how language affects the negotiation process.

ROLE OF LANGUAGE IN NEGOTIATION

Cross-cultural negotiations normally adapt one side of a negotiator's language as a primary communication tool unless two nationals have the same mother tongue. The meaning of a word is not universal even though the word can be translated well into another language. Even among people who use the same language as their native tongue, connotations of the word are not the same among countries where the language is used (Odlin). Words and concepts are culturally bound to some extent, and learning a language involves not only the surface meaning of the word but also the notion of the word (Omaggio). The Japanese word "muzukashii" can be translated as "difficult" in English. However, for Japanese businessmen, it means "out of the question," while for American businessmen it means "a hard bargain" (Bloch). Americans say "the customer comes first," and Japanese say "okyaku-sama" [honored customer], but their definition of a customer is not the same. For Americans, "customer" refers to a "final consumer" while for the Japanese it implies a buyer who is on the other side of the negotiation table and not necessarily a consumer. The word "okyaku-sama" is also used as a personal pronoun in Japanese (Suzuki). It is presumed that non-native speakers easily transfer the native language's definitions of the word into a target language. This could cause misunderstanding between the parties who do not share the common ground underlying the notion of the word.

Even if the actual meaning of the word is the same, different cultures and languages might handle it divergently. It has been frustrating to Americans that the Japanese word for "yes" does not mean "yes" as Americans know it. Since the Japanese want to maintain harmony in any situation and avoid conflict, they try not to use "no" as much as possible. Instead of saying "no" directly, the Japanese use many other ways to say "no." Keiko Ueda described the Japanese way to say "no" in "Sixteen ways the Japanese Avoid Saying No" (see table 2; qtd. in Graham and Sano 24). The Japanese naturally can interpret these signals correctly (March), however non-native speakers of Japanese have difficulty understanding these signals that indicate "no" nuances unless they are not only linguistically competent but also completely bicultural.

Table 2
Sixteen ways the Japanese avoid saying no

1.	Vague "no"
2.	Vague and ambiguous "yes" or "no"
3.	Silence
4.	Counter question
5.	Tangential responses
6.	Exiting (leaving)
7.	Lying (equivocation or making an excuse—sickness, previous obligation, etc.)
8.	Criticizing the question itself
9.	Refusing the question
10.	Conditional "no"
11.	"Yes, but . . ."
12.	Delaying answer (e.g., "We will write you a letter.")
13.	Internally "yes," externally "no"
14.	Internally "no," externally "yes"
15.	Apology
16.	The equivalent of the English "no"—primarily used in filling out forms, not in conversation

If the Japanese were only to use these signals when they speak Japanese, it would not be a big problem. However, they use these tactics even when they conduct a negotiation in English. In that case, it becomes a problem. As mentioned earlier, a native language's framework of language use is easily applied to a foreign language. Even when a negotiation is conducted in English, Americans should be aware of these signals used to indicate "no," because they could appear frequently during the course of the negotiation.

These nuances are very difficult to show and to explain sentence by sentence without an entire discourse and a context. In fact, many examples may not make any sense when they are translated into English. Nevertheless, it is important enough to have knowledge of this unconventional use of "no," and to try to understand what is the real meaning of the message being sent.

A concept of "amae" [dependency] is one of characteristics of the Japanese mentality (Doi). Since utilization of language reflects the men-

tality of its users, some attention should be given to how "amae" appears in the Japanese language. While the Japanese are weak at handling the aggressive mode of conversation, they easily accept interdependency. An American should not say "I can make more money if you do . . ." because the expression "I cannot make any money unless you do . . ." may bring better concessions from the Japanese. Adopting this tactic is much easier than comprehending the ambiguous signals of indicating "no," although developing a sense of "amae" is not as easy for Americans.

IMPLICATIONS FOR THE OPERATION OF BUSINESS LANGUAGE COURSES

There has been much discussion about how to teach business language effectively. Role-playing and simulations are commonly used to create more authentic business situations in classroom activities. Yet if these language practice activities are conducted without an appropriate knowledge of a counterparts' business culture, then the classroom learned language cannot have practical functions in real life. Model dialogues such as introducing oneself to business counterparts, making appointments, confirming orders, etc. along with appropriate language expressions can provide practical exercises. However, the ability to handle a language within a limited framework (e.g. typical scenes of general business practices) is still no different from the memorization level even if it requires higher levels of syntax and semantics. More seriously, if these dialogues are between students who are non-native speakers of the target language, limitations might be reached too soon. When two Americans are engaging in a negotiation simulation in Japanese, there is a good chance that they will use an American style of negotiation rather than that of the Japanese, even though they may have been taught about the Japanese way of handling such a negotiation.

As mentioned in previous sections, language can come alive when it is used appropriately within a cultural norm. Students ideally should have access to a native speaker who has real business experience. Even though it is not practical to involve native-speaking business people in a classroom on a regular basis, there might be some alternative solutions.

Adjustments can be made in the training of language instructors who teach business language courses. Unfortunately, not many language instructors have ever engaged in a real business negotiation. Motoko

Tabuse suggested that language teachers should take business related courses. However, there are always gaps between theory and practice. Besides having good knowledge of language and business principles, it is suggested that instructors who teach business language courses have some experience outside of academia. In fact, there is a national awareness in Japan that school teachers, regardless of their teaching subjects, do not know much about the world outside their classrooms ("Kyooshi ni Yutakana Shakai Keiken wo" 3). To remedy this, the Center for Economics and Public Relations in Japan has for the last 13 years sent school teachers for short-term internship programs in the private sector. The Board of Education in Sendai, Miyagi in Japan has also sent its district's new school teachers to private sector positions as a part of its training program for the last 7 years ("Kyooshi ni Yutakana Shakai Keiken wo" 3; "Okayku ni Osowaru Shin'nin Sensee" 26). Teachers who participated in the programs experienced culture shock since there were deep gaps between school culture and business culture.

Many overseas internship programs exist for college students. Language instructors who teach business language need to be encouraged to participate in similar internship programs, or at least need to be given an opportunity to have training or work experience outside of school settings. If instructors themselves have first-hand experience in what business settings involve, they can teach business language in a more authentic way.

Another solution, which is more economical and time saving, is to reconsider the characteristics of teaching assistants. Traditionally teaching assistantships in foreign language programs are given to graduate students who are majoring in Foreign Language, Linguistics, Literature, Education, or Communication. Business Administration graduate students are hardly considered. However, if business language courses are offered, students in that area can be a great resource. Many of them have had business experience in Japan prior to entering an MBA program. It might be time to develop a new type of team-teaching in which a language teacher takes charge of linguistic aspects of a language that is used in the business scene, and a person who has engaged in or intends to engage in business as a profession takes charge of how and to what degree those language uses are practically applied in business situations.

CONCLUSION

Comprehending a target culture is a never-ending study (Phillips). Despite that, the instructors of business language courses as well as students in that program must be familiar with business practice differences across cultures in order to make their foreign language skills useful in a real life setting. This article has discussed basic differences of negotiation styles between Americans and the Japanese. Each case of negotiation varies from situation to situation, but knowing the general rules can help Americans understand the Japanese way of acting and thinking. Language teachers can help students by teaching them the appropriate styles and forms of the language that lead to better business communication.

Language in a business situation also involves special attention to codes as part of reading signals. Understanding cultural connotations is a crucial aspect of conversation. Misunderstanding one word could cause a big loss in business. It is not an easy task for Americans to read and understand the ambiguous expressions that are commonly used in Japanese. However, being aware of these signals can improve communications with their Japanese business counterparts.

Since the purpose of taking foreign language courses has been expanded, classroom instruction and teacher training needs to be adjusted to meet the new demand. Many students who study foreign languages seek more practical uses of the language rather than merely academic purposes. Especially in business language courses, instructors need to have more experience outside the classroom in order to provide better instruction.

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