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Corporate Communication Challenges

A 'Negotiated' Culture Perspective¹

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ABSTRACT This study addresses cultural issues in business communication across cultures. The concept of 'negotiated' culture is employed, elaborated and applied to empirical data at organizational and individual contextual levels in intercultural encounters. Communication is viewed as a complex, multi-issued, and dynamic process in which global managers exchange meaning. A multi-contextual analysis is used to describe the dynamics and complexity of sense-making processes at the interface of meaning exchange in the collaboration between Danish and Japanese managers. In particular, the concept of 'negotiated' culture is employed to analyse strategic and operational communication between a Danish company and its alliance partner in the Japanese market. A significant amount of research represents a headquarters or western view of communication processes and cultural challenges in strategy implementation. The present study also includes the partner/Japanese view.

KEY WORDS • contextual analysis • Denmark-Japan • intercultural communication • 'negotiated' culture

The study addresses communication and culture by exploring the cultural issues and conflicting values in communication patterns between a Danish company headquarters and a Japanese alliance partner. It lends empirical support to the notion that culture can no longer be implicitly defined in terms of nationality, and that members of such societies can no longer be assumed to identify solely or even most strongly with their coun-

try of national origin or citizenship (Sackmann and Phillips, 2004). Industry, organizational and professional knowledge equally shape cultural encounters in a business environment. Highlighting the importance of these factors, however, does not mean that national characteristics and values are unimportant and can be neglected entirely (Zander, 2004).

Cultural issues in organizational commu-

nication between corporate headquarters and their alliance partners present ongoing challenges in a globalizing business world. Previous studies have often shown communication between headquarters and business partners to be unidirectional (Williamson, 2004). Similarly, there are tendencies in the West to build strong links between headquarters and partners and to support these links with strategic and economic control. In most cases headquarters also define the roles of business partners. However, given the complexity of various modes of foreign entry and questions of management availability, the selective focus by headquarters on transmission rather than reception leaves out an important part of the story (Zander, 2004). Therefore, studies of the reception of HQ messages by alliance partners are of great importance. In other words, both sides of the story provide insight into the collaboration.

Thus, the question raised in this study is: 'How are differences in Danish and Japanese culture perceived to influence communication and collaboration practices – and is a middle ground for communication established over time?' The notion of 'negotiated' culture is used as the theoretical concept to exemplify cultural processes of change (on a larger or smaller scale) in the interface of communication and interaction between managers in the two countries. While there is criticism that a significant amount of previous research on Japanese communication and management practices relies on US comparisons, thus making the Japanese stand out as 'unique' (Ito, 2000; White, 2002; Yoshino, 1999), the present study offers a non-US comparative 'other'. Further, while comparative research on Asia is often based on quantitative assessments of comparative management performance (White, 2002), this study offers a process view of cultural issues from the perspective of individuals in different aspects of collaboration. Finally, while 'interface' questions are still relatively under-prioritized in comparative studies

(White, 2002), the present study offers a descriptive analysis of micro-processes and perceptions in communication practices as experienced in intercultural encounters. These encounters include cultural aspects of communication between headquarters and the partner concerning product marketing, intermediary channels and organization of communication, as well as task-related issues. In what follows, first the concept of negotiated culture is introduced. Second, the study's methodology is presented. Third, a literature reviews discusses communication and culture. Next, subsequent sections offer a case analysis based on interviews with Danish and Japanese managers. Finally, the concluding sections present a discussion of findings, practical and theoretical implications and suggestions for future research.

'Negotiated' Culture

The concept of 'negotiated' culture is employed as the overarching analytical concept for this study. The concept was developed as part of a bi-cultural study of a German and Japanese merger and acquisition. It is inspired by Anselm Strauss' notion of negotiated social order, which relied on social interactionist epistemology (Brannen and Salk, 2000). The assumptions adopted from Brannen and Salk's (2000) work are as follows:

- National origin serves as the point of departure for managers as a source of values, meaning and norms, but is not determinant with respect to behaviour or communication outcomes.
- The individual characteristics of team members and the issues they face shape the cultural traits that become salient in the social negotiation of the work culture.
- When members from two distinct national and organizational cultures come together, a 'negotiated culture' emerges.

- The specific attributes of a headquarters/partner relationship will be emergent and cannot be determined *a priori*.
- The cultural stances of organizational actors may map onto task related issues in unexpected ways.

The 'negotiated' culture concept also resembles the notion of 'negotiated' meaning as employed in social psychology, cognitive theory, linguistics and discourse analysis, as well as social-constructivist inspired communication and inter-activist theories. Meaning in these theories is not 'transmitted' but rather (re)-created or (re)-negotiated and therefore depends on the context of the communicative acts (Flower, 1994).

Methodology and Data Collection

The approach is grounded and empirically bound (Glaser and Strauss, 1967) and the account amounts to thick and detailed description (Geertz, 1973; Van Maanen, 1988).

In a study of sense-making (Weick, 1995), such as the present one, interviews provide accounts of retrospective rationalization. As managers re-examine organizational culture and lessons learned, they attach meaning to past achievements. Through interviews they identify values and attitudes, and in their retrospective stories these become central to the success of the company (Ravasi and Schultz, 2006).

The data were collected in April 2004 in Denmark and in September–November 2004 in Japan. Fifty interviews were conducted in five companies as part of a larger project on management, communication and competence. This larger project also resulted in a case book (Clausen, 2006). Data from one company, referred to as the SHOE Company, were chosen for exemplification in this article. The SHOE Company was the largest of the participating companies, with

9000 employees. Interviews were conducted in Denmark and Japan in order to include viewpoints from both headquarters and the partner. At the Danish headquarters, I spent time in the factory to meet people and follow the production of new prototypes. In Japan, I visited the licence partner's headquarters, spent time in the showrooms and visited several shoe stores. Overall, I spent time in both organizations to get a feel for both the people and the products. The interviews at the Danish headquarters included two directors, a vice president, the human resources manager, the sales and marketing manager, the communications and culture manager and the head of merchandise. At the Japanese partner they included the president, the managing director, the marketing manager, the legal advisor/translator and the Danish in-house trainee (owner's representative from headquarters). I also conducted three telephone interviews with the managing director of Asia (Danish) stationed in Hong Kong. In general, the interviews were semi-structured and lasted from one to three hours (Kvale, 1996). The trigger questions concerned communication (who, how and what), cultural difference and lessons learned in cooperation between Denmark and Japan. Examples include: 'What are some cultural differences when dealing with the Danes/Japanese?' and 'What are some lessons learned?' The interviewees were encouraged to tell their own stories regarding certain events freely and without significant interruption. As part of this process multiple and dissonant voices were revealed within the companies (Soederberg, 2006). The tape recordings were then transcribed in full and the stories were reconstructed, coded by themes and divided into patterns (Kvale, 1996) or 'issues' under the general theme of 'negotiated culture'. These issues included company history, culture and business philosophy, organization of communication (egalitarianism/hierarchy), national issues in entry mode, product marketing and image creation, decision-making, work

culture and meeting styles. Finally, the issues were written up based on the views of both the Danish and the Japanese employees.

When the English language proficiency of the interviewees was not sufficient, I conducted the interviews in the interviewee's native Danish or Japanese (I am Danish, a trained Japanologist and fluent in Japanese). The native approach was used to enable direct communication without a translator (Marschan-Piekkari and Reis, 2004). This native language strategy further enabled rapport building (Welch and Marschan-Piekkari, 2006). Where relevant, interview quotes are presented to promote reader insight (Eisenhardt, 1989). However the larger part of the study presents aggregate descriptive accounts to save space. The 'interpretative validity' of the research questions and their relevance was secured by exploring these issues with the various managers (White, 2002). I went back to the companies to present and discuss my findings at company seminars in both Denmark and Japan during 2006–07. This particular study is not made for universal generalizations but qualifies as an exemplary case (Yin, 1984). Although the study is not longitudinal, the exemplifications represent employee recollections of collaboration between Denmark and Japan over almost a quarter of a century.

Communication and Culture

All business activity involves communicating. Within global businesses, activities such as leading, motivating, negotiating, decision-making, problem solving, and exchanging information and ideas are all based on the ability of managers and employees from one culture to communicate successfully with colleagues, clients and suppliers from other cultures. Communicating effectively challenges managers even when working domestically with a culturally homogeneous workforce (Adler, 2002). When colleagues speak a different language and come from different cul-

tural backgrounds, communicating becomes considerably more difficult (Adler, 2002). In particular, managers and expatriates dealing with Japan face a number of challenges in their efforts to develop adequate intercultural competencies for cross cultural interaction because of the opaqueness of Japanese culture (Peltokorpi, 2006). Against this backdrop the notion of culture becomes an even more important concept for the analysis of communication processes and the challenges therein. While the statement 'culture is communication and communication is culture' (Hall, 1959: 186) reflects the importance of each of these subject areas, it leaves both culture and communication as all encompassing. For our purposes, we need to unpack them in order to understand their interrelationship and mutual dependence in greater detail so that we can adequately account for the influence of culture on communication in the analysis of the case study.

Communication as Transmission

Western models of communication rely on the premise that communication is a linear process of information transmission from sender to receiver. Further, the transmission of information is understood as a controllable process by which meaning is 'injected' from A to B. The early models of communication, known as the process models (Shannon and Weaver, 1949), were based on a signalling metaphor that was popular because of the easily understandable specification of the main components of communication: source, message, channel and receiver. The models concerned the effect of communication based on the formula 'who communicates what to whom with what effect' (Lasswell, 1948). More recent models include the sociological factor in communication by highlighting the importance of culture. For instance, one intercultural communication model includes sender, message, channel, noise, receiver, feedback and cultural context (Jandt, 1998),

where 'noise' may refer to the perceptions or cultural backgrounds of the communicators and thus become a 'cultural filter' of both senders and receivers. In particular, culture may be a filter through which people construct (encode) and receive (decode) messages (Dahl and Habert, 1986). Nevertheless, the western transmission models place the sender in a dominant role in which any derived understanding of communication may become distorted and manipulated (Yan, 1997).

Communication as Co-creation

As an alternative to viewing communication as transmission, a model inspired by eastern philosophy is employed. The premise of communication in this dialogic communication model (Yoshikawa, 1987) is that communicators cooperate to create meaning. The model encompasses both western and eastern thought and is inspired by Buddhism as well as the 'western' dialogical tradition (Jewish thinking, continental philosophy, current American pragmatism) that is also beginning to gain ground in the intercultural paradigm (Blasco and Gustafsson, 2003). Interestingly, in relation to the present study, the dialogic communication model points to a common sphere or an 'in-between' position (Yoshikawa, 1987). It depicts the symbolic representation of a search for ways of understanding interpersonal, intercultural, and international relationships within which people of diverse cultures can reflect on their cultural differences as well as their similarities. The Möbius strip, or infinity symbol, signifies a twofold movement, the Buddhist concept of paradoxical relationships and the dualism of yin and yang from Taoist teaching (Yoshikawa, 1987).

While the linear process models view communication as a transmission of information from sender to receiver, the dialogic communication model builds on the ideas of co-created meaning and reciprocity as a part of an ongoing dialogue. Thus communication is an ever-evolving process of the co-

creation of meaning (Yoshikawa, 1987) that allows for ambiguity and paradox in intercultural encounters (Fang, 2003).

Concepts of Culture

The concept of culture has been adopted primarily from the field of anthropology, where it has been defined in many different ways and from many different perspectives (Kroeber and Kluckhohn, 1952). These concepts have found their equivalents in the organizational literature where history, heroes, artefacts and assumptions make up the cultural fabric of companies (Schein, 1992). Comparing expressed ideas and practices provides information about the world-views of organizational members and their degree of overlap in the organizational reality. However, the approaches to culture in organizations are similarly plentiful. For instance, the comparative management and intercultural communications literature often focuses on cognitive components such as beliefs, values and perceptions. Here, positivist and functionalist researchers have examined how national cultures dominate or determine the way people act, think and feel (Hall, 1976; Hampden-Turner and Trompenaars, 1993; Hofstede, 1980;).

As an alternative to the functionalist perspective on culture, the social constructivist perspective employed by the present study views culture as a collective and relational construct that is being redefined in new contextual settings (Soederberg and Holden, 2002). Inspiration for a definition of culture from this perspective is that culture is based on 'shared or partly shared patterns of meaning and interpretation . . . [that] are produced, reproduced and continually changed by the people identifying with them and negotiating them' (Soederberg and Holden, 2002: 105). The understanding of culture in the present study has also been enriched by the 'identifying culture' initiative (Zander, 2004) that allows for a multiple-cultures perspective (Sackmann and Phillips, 2004). In

particular, alternative perspectives emphasize that people identify and affiliate with a multiplicity of values (Blasco and Gustafsson, 2003), the meanings of which are socially constructed.

In sum, culture in this project is studied as being embedded in relationships, rather than in predetermined structures. The multiple culture perspective allows for the analysis of various contextual (i.e. national, organizational industrial, professional) influences on intercultural business encounters.

Case: Company Entry and History

The SHOE Company entered Japan in 1982 with production and marketing through an agreement with a licence partner. Today, Japan is the SHOE Company's third most important market in terms of sales. The collaboration immediately offered advantages for both parties.

'Well it began in 1982. Our Japanese partner came to us and said that they were interested in getting a licence agreement. First we made a five year agreement. The Japanese visited with many people, copied and took pictures', according to the executive director. 'We gave them our knowhow in shoe production and shortly after they had copied it, so our owner put up clear goals. We had to be quicker and better, so that every time they came, we had something new to show them both technologically and product wise, to keep up their enthusiasm.' This goal seemingly worked. 'Japan is a typical licence country because import barriers are high. It is difficult to enter the Japanese market.' The only possibility, according to the Danish director, was to produce the shoes inside Japan to avoid import restrictions.

The Japanese, for their part, were pleased to discover the SHOE Company's products. According to the president of the Japanese licence partner, they liked the style and immediately saw a business opportunity. 'We dis-

covered that the company was Danish and made an approach.' After 20 years of co-operation, in 2003 the SHOE Company renewed the contract for another 10 years. Mutual interest and dependency have created a strong basis for cooperation and negotiation.

Dissemination of Company Culture and Business Philosophy

The SHOE Company is the fifth largest casual and work leather shoe brand in the world. Meanwhile the licence partner is a well-known conglomerate in Japan. In terms of size and reputation there is a fine balance in the relationship.

One Danish headquarters director credited control of the entire value chain, as well as a strong corporate culture, as important competitive strengths. 'The SHOE Company's vision', he states, 'is to be the most desired brand within innovation and comfort footwear'. In his view, clearly defined goals help to disseminate a common message from the Danish HQ throughout the global organization. The SHOE Company employees are educated in all aspects of shoe-making 'from cow to shoe' and, even more importantly, in the SHOE Company's values and ethics based on the late founder's life and business philosophy. 'Of course the SHOE Company culture is very influenced by the founder, his vision and his ways of doing things', according to the HQ director. A number of the founder's sayings and philosophies of life have been gathered in a company culture book with 25 Maxims (internal material, 1991). Various maxims were highlighted by the Danish managers, although 'entrepreneurial spirit' was repeatedly stated as a core characteristic of the company culture. Meanwhile, the Japanese views on culture and business philosophy, as expressed by the president of the Japanese licence partner, differ somewhat:

We understand that the founder's philosophy constitutes the basis of the SHOE Company's culture. But there is a limit to how much we

can incorporate them into a Japanese business setting. Even the change of the SHOE Company's logo had [financial] implications.

In other words this exemplifies how HQ ideas cannot always be incorporated into Japanese business culture without modification. Even a change of logo is costly when adapting merchandise and marketing material to Japan.

The Danish founder (who died just as this project was taking form) had made numerous trips to Japan, his principles were well known and related anecdotes were plentiful in the interviews. For instance, the Japanese president particularly remembered the maxim 'Do not say there is not or you cannot.' On one occasion the Danish founder had taken an empty bottle to illustrate this maxim. He had squeezed a drop of wine from the (empty) bottle onto a piece of paper in front of his Japanese colleagues, and the incident left a strong impression on the Japanese. According to the Japanese president, it was also perceived as being accompanied by pressure to perform well in the relationship. This story still circulates in both Denmark and Japan, creating common references to a corporate memory of there is no 'you cannot'.

Organization of Communication: Denmark-Hong Kong-Japan

How does the SHOE Company communicate with its Japanese licence partner? Who talks with whom? And how is communication organized? According to the director at the Danish headquarters, communication flows from Denmark to Hong Kong to Japan and back.

In the 25-employee office in Hong Kong only the Asia managing director (who is Danish) deals with Japan. This commitment ensures strong personal relationships and helps to deal with cultural issues that he finds 'particularly Japanese'. His role as regional coordinator and his monthly visits to Japan

are welcomed by the Japanese. He is 'a good listener' according to the Japanese president. Several Japanese managers also indicated that the Asia managing director has a better understanding of Japanese culture than his Danish colleagues who arrive once in a while and always make strong demands.

In this way, the Hong Kong office has provided an intermediate platform for communication between Denmark and Japan as a result of the cultural learning and adaptation of the Asia managing director, as described further below.

Organization of Communication in Japan

In Japan, the licence partner has formed a separate SHOE Company sales unit as part of the partnership. This unit currently has 26 employees. Over the years, the SHOE Company headquarters has asked for a more 'effective' organization, including the assignment of specific responsibilities to people in specific positions. The partner president explains:

The SHOE Company has asked us to rearrange our organization to match that of the company headquarters, and to decide who would be in charge of the SHOE Company's activities. We are moving toward a more Western style of management in Japan too, but old traditions linger.

From a Danish perspective, the Japanese department has been reluctant to change its organizational ways. According to the Japanese legal advisor:

In conservative Japanese companies you have to get permission from many different layers of the hierarchy . . . [and] it takes time until the product is actually launched and implemented. This process seems time consuming to foreign companies . . . [but] Japanese companies want to make sure that a project will work perfectly, even if it takes time to double check.

On the other hand, she acknowledges the problem with this system as seen from the Danish perspective:

With the vertical structure, people in the front line of the actual daily operation have difficulties exerting themselves fully and generating new ideas and implementing them. It [vertical communication] ruins the ability to work freely and to see new horizons.

In her view flexibility, creativity and a sense of individual responsibility are not enhanced by such a structure. According to the managing director of Asia in Hong Kong, responsibility for individual managers cannot be allocated quickly enough. 'The people in charge of the SHOE Company sales in Japan could take business much further, much more quickly, if they were given personal responsibility and the freedom to act independently.'

The SHOE Company HQ still wants each section or functional manager in Japan to have more responsibility for their own department, with more direct control of marketing, product development and sales. The Japanese have received this communication but have not been able to translate the Danish demands into action.

National Cultural Issues – Market and Government

The leather industry in Japan is protected by the government because it is dominated by a minority group, the *Buraku*,¹ who have been severely discriminated against throughout Japanese history. The issue is still taboo in Japan, particularly among the older generation, and it was not mentioned directly by the licence partner president, who instead referred to it as 'that problem':

The policy is a bit nationalistic and I am hesitant to mention this, but the Japanese government implements high tariffs and other restrictive measures in order to protect the domestic shoe manufacturers. The SHOE Company in Denmark has a problem understanding this.

Currently, the licence partner pays an additional amount for every pair of SHOE Company shoes imported. According to

the licence partner president, the SHOE Company apparently views the quota system as an opaque set of import restrictions that the licence partner may be tempted to use as an excuse. On occasions the licence partner has been able to obtain an extra allotment from other importers, thus enlarging its import quota. The Japanese often bring the matter up at meetings. For the Danes (as mentioned by the director, the Asia managing director and the trainee), the discussion of the issue takes time from more urgent business matters. From their perspective, the quota system is both troublesome and a seemingly insurmountable barrier.

Distribution Channels

Another pressing cultural issue for the SHOE Company is the intermediary system of distribution in Japan. This system arises in large part because of the value the Japanese place on relationships. According to the Japanese president:

Reciprocal favours in Japan strengthen a relationship and create loyalty . . . Japanese business obligations, *giri*, are strongly connected to personal relationships, *ninjo* [see Nakane, 1994]. Only in severe crises do some wholesalers have no choice but to end the relationship.

From a Danish perspective, the wholesale system is built on favouritism that makes it difficult to bypass old connections. Consumer goods pass through a number of intermediaries that each add a percentage to the final consumer price. The SHOE Company insists on sales in greater quantities directly through retailers, including the large prestigious department stores. However, again according to the Japanese president:

Even if we agreed to this strategy, we would not be able to implement it. The presence and power of wholesalers is overwhelming in the Japanese market, and many department stores are dependent on them. Even if we want to skip wholesalers and sell directly to department stores, we cannot due to the traditions in the industry. This level of complexity is incompre-

hensible to foreigners whose market systems do not have the same local constraints or cultural heritage.

The SHOE Company, however, has insisted on fewer intermediaries, as described by the managing director of Asia in Hong Kong:

Networking and personal relationships supersede arguments in favour of efficiency. In spite of the importance of old connections – we have insisted that the licence partner cut down on the number of outlets. The number of outlets has been scaled down, and the sales and marketing activities are now more focused and involve fewer intermediaries.

Overall, the licence partner has managed to reduce the number of retailers from 2600 to 800, and this exercise has been part of a larger brand image upgrading initiative by the SHOE Company headquarters.

Product/Brand/Marketing Strategy

Establishing communication in a global corporation was indicated by the vice president to be an inherent challenge, or as he expressed it, an ‘Achilles heel’. In particular, ‘Communication in the SHOE Company needs work both from HQ to partners and back.’ The corporate strategy is that ‘as many decisions as possible should be made by the local subsidiaries and factories around the world’. This autonomous decision-making means that the:

organization as a whole is not homogeneous in its business practices . . . [and] it does not need to be entirely uniform . . . [but] executive management is placing more and more emphasis on communication and sees ‘cultural togetherness’ as important for the coherence of the SHOE Company group.

This is even truer now that the corporate strategy of ‘one global brand’ is seen to be an important part of the SHOE Company’s future. Communication in general, and overcoming cultural barriers in dealing with

Japan in particular, were expressed as concerns.

Product Image Creation in Japan

The licence partner has expressed a wish to promote the SHOE Company as being ‘Danish’ and to promote ‘foot comfort’. This part of the SHOE Company’s history is an ingrained part of its identity in Japan, and the image of foot comfort is also well established among the intermediary distributors. ‘It would be ideal if the SHOE Company could come up with a slogan that conjures up the “slow and comfortable life”, according to the Japanese marketing manager, ‘We believe . . . this is an attractive image that the Japanese have of Scandinavia, all the more so because our busy lives in the Metropolitan areas of Japan reflect just the opposite.’

In 2003, for instance, an atmosphere of Zen was promoted in the marketing campaign. The Danish headquarters had been inspired by Japanese Zen Buddhism, but did not involve the licence partner in the concept development. As a result ‘the campaign was only understood vaguely by the Japanese’, according to the Japanese marketing manager. Instead, the 2002 slogan, ‘The shoe is so comfortable that you feel like jumping’, was a hit in Japan. The 2004 Movement Campaign was also a success because it emphasized movement and comfort. Over the years, according to the Japanese marketing manager, the SHOE Company has regrettably shown no interest in promoting Danishness despite the attractiveness of this idea in Japan.

From the Danish point of view, the recent global campaigns have finally been accepted by the Japanese licence partner. The percentage of global brand strategy implementation in Japan is currently ‘fifty–fifty’, according to the managing director in Hong Kong. In other words, the Japanese are implementing about half of the marketing ideas and material delivered by headquarters. The remaining

marketing and branding activities are done their own way, for instance by using popular but costly Japanese actors for promotion. The managing director in Hong Kong is content with this arrangement for the moment, 'as long as everyone is moving towards a 100% global brand image by 2013'.

Partner's Reaction to Product/Brand Strategy

In 2003 the late founder announced that the company must double sales around the world within five years by means of a 'one global brand' strategy. Great efforts have been made to reach this goal. In concrete terms, Japan was expected to double its 1.2 billion of sales in five years. When asked for a reaction to this strategy, the Japanese president responded:

Well, if the SHOE Company says 'global strategy', then there is not much room for negotiation, is there? The desire . . . is probably a result of globalization, but images are perceived differently in Japan because of our language . . . and the way we think.

If the SHOE Company had started operations in markets all over the world at the same time, a globally streamlined strategy might work, according to the Japanese marketing manager. However, in his view, as each market has a different history and positioning, it is a problem when the SHOE Company groups markets into one and applies a single strategy to all. An executive manager from headquarters indicated that 'entry to China is easier because the branding process starts anew without historical baggage'. The Japanese attitudes of 'we used to do' and 'this does not work in Japan' were perceived as hampering communication and slowing down the implementation of headquarters' ideas.

Disagreement on brand strategies has continued into the new millennium. On one hand, as mentioned above, the 'uniqueness' of the Japanese language and culture have been given as reasons for the barriers to

implementing the SHOE Company's ideas. On the other hand, communication from headquarters has not always been clear. Sometimes the Danish 'headquarters has sent mixed messages', according to the Danish in-house trainee in Japan. This has largely been a result of numerous changes of people in management positions. The Japanese president states: 'New managers in Denmark tend to manifest their leadership by introducing new strategies.' In Japan, however, company strategy overrules individual ideas. If a person changes his or her position, efforts are made to convey knowledge about previous decisions to the new management. This is not the case in Denmark from the perspective of the Japanese president.

Platforms for Communication - Meeting Styles

In joint meetings between the Danes and the Japanese, the SHOE Company HQ managers wish to be 'efficient' and 'get on with business'. 'We evaluate the results of meetings based on the number of important business decisions made', according to the Danish sales manager. He observes that the Japanese, by contrast, value the status of the people present and see meetings as formalities. 'Normally, the meetings in Japan start with a ceremonial greeting', according to the Japanese legal adviser/translator, who describes the format as follows:

The president's formal greeting, *aisatsu*, lasts twenty minutes and serves to reinforce social relationships and to generate a general understanding of the present business situation. Afterwards, the president leaves the meeting to the operational managers. Departure from Japan equally includes a ceremonial greeting.

The Danish managing director in Hong Kong indicated: 'Even when I go to Japan from Hong Kong, which is on a monthly basis, I am greeted in a formal meeting by

the Japanese president.' The legal advisor/translator explains that being present is what counts for the Japanese. Most just listen. They may comment on the rare occasions when they are asked to, whereas 'In Denmark we contribute actively, often even interrupting colleagues.' Participation is less formal by Danish standards. And the argument is considered more important than the hierarchical position of the person expressing it, states the Hong Kong managing director. However, accommodating the Japanese ritual results in significant frustration on part of the Danish delegation. The solution to the problem is 'to be patient' and to follow the ritual. Several of the Danish managers interviewed found that they had no choice but to acquiesce to these Japanese communication practices when in Japan.

Work Culture – Different Views on Efficiency and Relationship-building

The managing director in Hong Kong, who deals with the Japanese partner sales organization on a regular basis, describes his Japanese colleagues as extremely well prepared: 'They are very detail oriented, which is good for getting things right, but a weakness . . . when broader business decisions have to be made.' He continues:

In my position working out of the Hong Kong Regional office, I spend much of my time travelling, so I want to . . . get a lot of business done when visiting Japan. I find the Japanese to be excellent hosts, but relationship-building activities . . . are much less important to me than to my Japanese counterpart. I go out for dinners at night and occasionally for drinks afterwards.

He has politely refused the second and third rounds of after-work get-togethers throughout his 10 years of doing business in Japan. He states:

This may go against all advice for successful business conduct as a foreigner in Japan . . . [since] it is important to be social after work in

a Japanese business setting, but I have had to adopt my own strategies in Asia where I deal with many different cultures even within the same country [such as Singapore and Malaysia].

Above all, he has kept his Danish values:

business is business and free time is free time . . . When I explain this to my Japanese colleagues, or say to them that they have been working hard and should go home and spend time with their families, they do not even understand what I mean.

Discussion of Findings – Empirical Implications

The question raised in this study was 'How do differences in Danish and Japanese cultures influence communication and collaboration practices – and is a middle ground for communication established over time?' The following is a summary of 'negotiated' issues that have led towards the establishment of this common ground. The issues are company entry history, culture and business philosophy; organization of communication across continents and locally in Japan; national market issues in entry, including distribution channels, product marketing and image creation; and common platforms for communication, including meetings styles and work culture:

- *Company entry history:* While in the 1980s companies in general were intimidated and troubled by the Japanese technological ability to copy and develop products, the SHOE Company embraced the Japanese strategy and used it to spur on their own pace of innovation. A mutual sense of business benefit was constructed at the outset of the partnership and this has allowed both parties to work towards common goals.
- *Business philosophy:* Employees in Japan revealed significant knowledge of the Danish headquarters' values, people and products, although the entrepreneurial

spirit of headquarters in operational terms was translated into business pressure within the more conservative Japanese conglomerate. Company anecdotes served as a common ground for storytelling across cultures.

- *National entry level:* Protection of the leather shoe market by the Japanese government is found by the Danes to be restrictive for business development. The Japanese regrettably find little understanding among their Danish colleagues for their nationally 'unique' problem. This cultural issue (which is outside the control of the Danish HQ) results in continued dependence on the licence partnership.
- *Distribution:* Although Japan is changing following the recession and deflation of the late 1990s (Kono and Clegg, 2001) that resulted in a decrease in the number of wholesalers, these middlemen still play an important role for department stores. The fact that the licence partner has made an effort to downsize the sales outlets to accommodate a strategic business objective from headquarters bodes well for continued cooperation. 'Unique' Japanese distribution traditions have changed in part as a result of continuous pressure from the Danish headquarters. The influence of downsizing on sales and customer perception was not yet apparent at the time of the interviews. It is worth noting that in the dedicated relationship-building of the Japanese (Nakane, 1994), which in this case has been extended to non-Japanese, has also had advantages for the SHOE Company. The loyalty and compassion for the brand under the licence partner's ownership, as well as the growth in sales, have been key elements in telling the SHOE Company's brand story in Japan.
- *Organization of communication:* The mediating function of the Asia managing director in the regional office in Hong Kong has been successful as a result of minimizing the sense of cultural distances between the Japanese partner and the Danish headquarters.
- *Organizational structure and behaviour:* The formal structure and organizational chart of the SHOE Company sales unit in Japan do not differ significantly from those of the SHOE Company's headquarters. Cultural differences in organization, hierarchy and taking responsibility have been continuous issues of discussion. A sales organization in Japan has been established, but the issue of taking individual responsibility is still pending.
- *Global/local strategy:* Product and global branding strategies have been pushed by the HQ for decades. Meanwhile, the SHOE Company's partner in Japan has continued to claim that it is different and that strategies need to be adapted to the 'unique' Japanese market. The middle ground reached is to accommodate the Japanese market for the moment, and an agreement to work towards creating a global brand in the future according to headquarters' strategies.
- *Work culture:* The importance placed by each party on the building of relationships, formality and the symbolic importance of meetings differs greatly. The Danes are consensus driven to some extent (Schramm-Nielsen et al., 2004), they cherish meetings based on open discussion, clear decision-making and the designation of individual responsibility. Meanwhile, Japanese vertical communication practices (Gudykunst and Kim, 1984; Nakane, 1994) are in the process of being modified to meet Danish HQ standards.
- *Decision making:* Danish expectations regarding effectiveness and the Japanese virtue for detail and consensus building continue to puzzle both sides.

- *Life/work balance*: While a Danish manager to some degree sacrifices his traditional separation between work and free time to join the Japanese in their traditional way of socializing informally after working hours, this has earned him the recognition of his Japanese colleagues, and he still ultimately safeguards his Danish boundaries.

The interviews revealed that communication was hampered in several ways because of differences in cultural perception. In some situations cultural issues were pending and not resolved. In others, a cultural middle ground did emerge over time. In sum, the interviews indicate that some cultural knowledge and mutual understanding have been accumulating through experience. While an ethnocentric mentality and outlook was held by some of the managers of this study, many more transcended this attitude (Adler, 2002). Communication practices have been accommodated on both sides, albeit slowly.

The headquarters' practice of communication has been one of transmission rather than one of exploiting the opportunity for dialogue and co-creation of the Japanese market (Glisby and Holden, 2005). Ideally, the organizations could define communication strategies that accommodate cultural differences based on both cultures, although this may be difficult to implement in practice (Sakai, 2000). It was surprising to find that managers did not talk explicitly about cultural differences. Communication practices are often left to the individual to struggle with cultural sense-making. Greater efforts at cross cultural learning (Varner, 2000), and more deliberate dialogic communication strategies that take into account cultural difference, may in return enable headquarters to implement corporate strategies more successfully.

Theoretical Implications

Categories for national and organizational culture in the 'classic' cross cultural studies (Hall, 1976; Hampden-Turner and Trompenaars, 1993; Hostede, 1981) provide bipolar continuums to describe how culture may 'determine' the way people act, think and feel. Against this, the 'negotiated' approach allows for 'interface' exemplification (White, 2002). Rather than relying on essentialist categories that reinforce cultural stereotypes, the negotiated or contextual perspective (Osland and Bird, 2000) allows for ambiguity and paradox. Cultural issues may remain unresolved or even become embraced (Fang, 2003). The 'negotiated' perspective also allows for the consideration of the aspect of professional business cultural with respect to such issues as product (Usunier and Lee, 2005) and entry.

Communication and cultural outcomes were not determined a priori, but rather a new culture was seen to 'emerge' based on ongoing communication, learning and knowledge acquisition by global managers (Brannen and Salk, 2000). It also became apparent that negotiated culture is not simply the result of 'one plus one', nor is it possible to place on a continuum between the two original cultures. Thus the culture that emerges is not merely a blend or 'hybrid' (Sakai, 2000) of the cultures of origin. Rather the outcome contains features of both headquarters and the alliance partner, as well as some aspects of its own idiosyncratic making (Brannen and Salk, 2000).

Suggestions for Future Research

The study opens up several opportunities for future studies. First, drawing on other case exemplifications could contribute additional insight into negotiated culture as the product of other settings and industries. Second, issues of the impact of cultural difference at

various levels, such as national and organizational, or group and individual, could be discussed further. A study of cultural complexity across levels, such as the present one, allows for more elaborate multi- and cross-level analyses (Rousseau, 1985). Third, the issue of the impact of language on culture and communication – in this case between two non-English speaking countries – clearly also is an issue that deserves more attention in future studies (Harzing and Feely, 2004). This being said, singular intercultural communication studies, such as the present one, do offer insightful moments into the micro-processes of cultural dynamics and change.

Notes

- 1 I would like to express my gratitude to the editor and reviewers of *IJCCM* for excellent and constructive comments. I am thankful to the Danish Research Council for funding the study.
- 2 *Buraku* people are a caste-like minority. When the social status system was established in the seventeenth century with three classes (warrior, peasant, townsfolk), the *Buraku* people were placed as outcasts at the bottom of society. They were assigned work, such as slaughtering animals, that was perceived as 'polluting' under Buddhist and Shintoist beliefs. They also worked with the skins of these animals. DeVos and Wagatsuma, (1966). Because of the severe discrimination of the *Buraku* in Japanese society through history, the government protects their leather goods industry.

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Résumé

Corporate Communication Challenges: A 'negotiated' culture perspective Les défis de la communication d'entreprise : une perspective culturelle négociée (Lisbeth Clausen)

Cette étude aborde les questions culturelles dans la communication d'entreprise interculturelle. Le concept de culture « négociée » est usité, élaboré et appliqué à des données empiriques sur des échelons contextuels organisationnels et individuels. La communication est envisagée comme un processus complexe et dynamique permettant aux managers mondiaux d'avoir des échanges de contenus. Une analyse pluricontextuelle est utilisée pour décrire la dynamique et la complexité des processus donneur de sens à l'interface d'échanges de contenus entre des managers danois et japonais. Le concept de culture « négociée » est employé pour analyser la communication stratégique et opérationnelle entre une compagnie danoise et une entreprise partenaire installée sur le marché japonais. Une somme de recherche significative représente l'opinion occidentale des processus de communication et des défis culturels à la mise en œuvre de stratégies. L'étude actuelle présente aussi la perspective japonaise.

摘要

企业沟通挑战：一种“协商的”文化视角

Lisbeth Clausen

本研究是针对跨文化商务沟通中的文化问题的。我们使用了“协商的”文化这个概念，对其加以阐述并应用于文化之间的碰撞中组织和个体层面的实证数据。沟通被认为是一种全球管理者用于交流意思的复杂的、多争议的、动态过程。本文使用了一种多情境分析，来描述丹麦和日本管理者在协作时意思交流过程的动态性和复杂性。特别使用了“协商的”文化概念来分析一家丹麦公司与其在日本市场的联盟伙伴之间的战略和运作沟通。有大量的研究描述了沟通过程的一种总部或西方的观点，以及战略实施中的文化挑战。本研究还包括了伙伴/日本的观点。