DEVELOPMENT OF AN INTERCULTURAL SENSITIZER FOR
CROSS-CULTURAL TRAINING OF AMERICAN AND
JAPANESE BUSINESS PROFESSIONALS

DISSERTATION

Presented to the Graduate Council of the
University of North Texas in Partial
Fulfillment of the Requirements

For the Degree of

DOCTOR OF PHILOSOPHY

By

Gopika Mehta, B.A., M.A., M.J.
Denton, Texas
December 1996
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Increasing globalization and transnational trends in business have resulted in greater contact with people from different cultures. However, in any cross-cultural encounter, miscommunication and misunderstandings are likely to occur. In a workplace setting, these can seriously undermine job performance and employee relations. The Intercultural Sensitizer is a cross-cultural training tool that is designed to increase the likelihood that trained individuals will make accurate interpretations concerning behavior observed in individuals from other cultural groups (Albert, 1983).

The purpose of this study was two-fold: (1) to identify cultural differences between Americans and Japanese that can lead to misunderstandings in the workplace and hinder communication, and (2) to construct an intercultural sensitizerto enable the two cultural groups to interact more effectively with each other. The study's five-phase research design was based on Albert's (1983)
delineation of the construction of an intercultural sensitizer.

Twenty-four episodes were constructed and statistically analyzed to determine if there was a difference in the way the two cultural groups responded to a given situation. Nine episodes yielded critical values significant at the .05 level. The study concluded that there while there are differences in the cultural perspectives of American and Japanese business professionals, the two groups also share common cultural assumptions. The study's findings have numerous implications for cross-cultural corporate training and higher education.
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DIVERSITY is not just a gender and race issue, but a cultural issue as well (Solomon, 1994). Increased globalization and trans-national trends in business, for instance, have led to new forms of contact across cultures. Accompanying these trends is the realization that in any cross-cultural interaction, miscommunication and misunderstandings are likely to occur. Individuals come face to face with the fact that what is expected and understood in one culture may be shocking and incomprehensible in another (Scott, 1994). Since every culture has its own beliefs, customs, and value system, individuals from different cultures may interpret the same situation or behavior in very different ways. Such responses are reflexive and usually based on the assumption of the universality of one's belief system (Carnevale and Stone, 1994). However, the differences in interpretive frameworks often lead to misunderstandings which, in a workplace setting, can seriously undermine job performance and employee relations.
Cross-cultural training can help individuals understand and cope with such perceptual biases, thereby facilitating more effective intercultural interactions. The Intercultural Sensitizer (ICS) is a cross-cultural training tool that exposes members of one culture to some of the basic concepts, attitudes, role perceptions, customs and values of another culture (Fiedler et al., 1971). It is designed to increase the likelihood that trained individuals will make accurate interpretations concerning behavior observed in individuals from other cultural groups (Albert, 1983; Brislin et al., 1986).

The Intercultural Sensitizer utilizes a programmed learning format. It consists of a number of "critical incidents" or real-life episodes that depict a potentially problematic situation between two culture groups. Each episode is followed by attributions that offer possible explanations for the behavior in question. Trainees are asked to choose the attribution which they think is the most appropriate. Rationales for each attribution offer immediate feedback to trainees about their choices. The goal of such training is to simulate the experience of interacting with members of the other culture and foster active learning.

One of the major advantages of this training tool is the flexibility of its presentation format. It can be used
as a self-directed learning device or it can be presented one incident at a time in a group format.

Statement of the Problem

This study was concerned with the construction of an intercultural sensitizer training tool for American and Japanese business professionals to enhance cultural awareness and interaction between the two groups.

Purposes of the Study

One purpose of this study was to identify cultural differences between Americans and Japanese that can lead to conflicts in a business setting. A second purpose was to develop episodes based on these cultural misunderstandings. These episodes formed the basis of the intercultural sensitizer, which can be incorporated into training programs and used by Japanese and U.S. companies to ensure successful intercultural interaction between American and Japanese business professionals.

Research Objectives

This study had the following research objectives:

(1) To identify cultural differences between Americans and Japanese that can lead to misunderstandings in the workplace and hinder communication.

(2) To construct an intercultural sensitizer that will
enable the two culture groups to interact more effectively
with each other.

Significance of the Study

Interactions between people from different cultural
backgrounds occur in a variety of work-related situations,
such as short-term business trips to foreign countries,
long-term overseas assignments and even work within one
organization (Black and Mendenhall, 1990). However, work-
related cross-cultural interactions are not always
successful. Studies have shown that negotiations between
business professionals of different cultures often fail
because of problems related to cross-cultural differences
(Copeland, 1985; Graham, 1985; Harper and Cormeraie, 1995;
Solomon, 1994). Also, many a cultural faux pas has cost a
company a client (Grant, 1988). Rippert-Davila (1985)
explains how cultural differences tend to go unnoticed when
business flows smoothly, but when dealings get stymied,
people look to social values for possible answers.

Cross-cultural training has long been advocated as a
means of facilitating effective intercultural interactions
(Derderian, 1993; Hall, 1995; Tung, 1981). Cross-cultural
training encompasses knowledge about how and why culturally
different individuals act the way they do, and a respect for
differing cultural operating styles (Carnevale and Stone,
1994), thereby addressing misunderstandings early on. It also allows individuals to more rapidly adjust to the new culture and thus be more effective in their new roles. Adjusting to a new culture involves the gradual development of familiarity, comfort and proficiency regarding expected behavior and the values and assumptions inherent in the new culture, all of which are different from the individual's native culture (Torbiorn, 1982). Research indicates that this adjustment and performance efficiency can be improved significantly through cross-cultural training (Harrison, 1994). Cross-cultural training also assumes urgency because, with the significant increase of foreign investment in the U.S., millions of Americans now work within the borders of their own country for foreign employers. Harris and Moran (1996) state that today, one of out six U.S. manufacturing jobs is dependent on foreign trade, while four out of five new manufacturing jobs results from international commerce.

But despite its pressing importance and the normative arguments for its use, no widely accepted instruments or procedures have been identified for cross-cultural training other than the culture assimilator or intercultural sensitizér (Albert, 1983; Gudykunst and Hammer, 1983). The intercultural sensitizér helps in breaking down the walls of ethnocentrism that often cause problems in cross-cultural
situations. However, most intercultural sensitizers have been constructed for use in educational intercultural settings and rarely within the business context (Albert, 1983).

The intercultural sensitizer depicts interactions between persons from two different cultures (Albert, 1983). The two cultures chosen for this study were the American and Japanese because the economies of the two countries seem inextricably linked. There are 1,321 Japanese manufacturers operating in the United States (Arpan and Ricks, 1993); and it is estimated that by the end of this decade, there will be 840,000 Americans working for Japanese companies in the U.S. (Fucini et al., 1990). This situation suggests that Japanese and Americans will be working together more and more in the future.

Yet, arguably, no two cultures are more dissimilar than the American and Japanese. Hofstede's (1980) research on international managers found that Japan has a culture that is not only different from American culture but one that is the most different. He found that, compared to Americans, Japanese have a much higher power distance (degree to which workers accept power difference between managers and subordinates), accept traditional sex roles, and have a higher work ethic. Americans, on the other hand, are
greater risk-takers as well as more individual and less group-oriented than the Japanese.

This cultural distinctiveness often acts as a barrier to effective intercultural interaction. Much has been written about culturally-induced conflicts between Japanese and American workers (Byham and Dixon, 1993; Dillon, 1993; Fucini et. al., 1990; Linowes, 1993); and of the problematic interface of Japanese business professionals with their American counterparts (Mroczkowski and Linowes, 1990). Given the rapid increase of Japanese companies in the U.S. and American business ventures in Japan, the ability to learn, understand the other's culture takes on greater importance. This researcher visited several Japanese-owned companies in the Dallas-Fort Worth area in Texas and found that training within these companies was limited. Also, both Japanese and American business professionals expressed a need for culture training.

Brislin et al. (1986) have authored a book that includes 100 critical incidents that are culture-general which can be used for both educational and business training programs. However, there is a need for a culture-specific intercultural sensitizer for cultural interactions among American and Japanese business professionals within a corporate setting (Yamaguchi, 1993). The development of critical incidents for this target group will serve as an
effective training tool in understanding differing value
structures, customs and norms that underlie the two
cultures, and in alleviating communication breakdowns and
misunderstandings.

Conceptual Frame of Reference

Misunderstandings in intercultural encounters stem from
not knowing the norms and rules guiding the communication of
people from different cultures (Gudykunst, 1991). One way
to understand intercultural communication is to focus on the
role of perception in communication. Successful
communication depends on, and is conditioned by, a
similarity between the sender's intention and the receiver's
attribution of meaning (Condon, 1977; Saloman, 1981). But
in cross-cultural communication, decoding of the message by
the receiver is subject to social values and cultural
variables which may not necessarily be the same ones present
in the sender. Thus, if the information source and
destination belong to different cultures, the received
information may not be interpreted the way it is intended.
The greater the cultural distance, the greater the
probability of discrepancy between the sender's intention
and the receiver's interpretation (Condon, 1971).

Samovar et al. (1981) maintain that "to understand
others' words and actions, we must try to understand their
perceptual frames of reference" (p. 37). Because communication consists of exchanges of meaning and intention carried by symbols sent by speakers, the perceptual gaps between them must be lessened if they are to have effective communication with each other. Individuals from different cultures bring to a cross-cultural interaction not only different experiences, but also different implicit as well as explicit frameworks for interpreting these experiences (Albert, 1983).

Differences in interpretive frameworks arise from the fact that people are essentially ethnocentric (Smith, 1979). Individuals tend to view the world through the eyes of their own culture, using their own ethnic group (in-group) as the standard and judge others favorably if they are like in-group members and unfavorably if they are not (Triandis, 1990). The concept of ethnocentrism was first introduced in 1940 by William Graham Sumner:

Ethnocentrism is the technical name for the view of things in which one's own group is the center of everything, and all others are scaled and rated with reference to it...ethnocentrism leads a people to exaggerate and intensify everything in their own folkways which is peculiar and which differentiates them from others (Brewer, 1979, p. 22-23).

Lee (1966) described this unconscious reference to
one's own cultural values as the self-reference criterion held by people of all cultures. Gannon (1994) refers to it as "cultural mindsets--basic ways of thinking, feeling, and acting that occur simply because of the fact that people are members of a particular society" (p. 5).

At the level of individual interaction, typical outcomes of high ethnocentrism include perceptual distortion (Burk, 1976) and misunderstanding (Rokeach, 1973). As Gudykunst and Kim (1984) suggest, "a high level of ethnocentrism leads us to interpret strangers' behavior using our own cultural frame of reference, thereby possibly distorting the meaning of the strangers' behavior (p. 94).

At the root of this ethnocentrism and, indeed, all cross-cultural interactions, lies the complex phenomenon of culture. In their classic review of culture, Kluckhohn and Kroeberg (1952) cited over 160 definitions of culture. Based on their exhaustive review, they concluded that culture consists of patterns of behaviors that are acquired and transmitted by symbols over time, which become shared with a group and are communicated to new members of the group in order to serve as a blueprint for future actions. Thus, as Brislin (1981) states, culture refers to the widely shared ideals, values, formation and uses of categories, assumptions about life and goal-directed activities that become unconsciously or subconsciously accepted as 'right'
and 'correct' by people who identify themselves as members of a society.

Triandis (1972) termed the manner in which such a cultural group perceives and responds to its social environment as the "subjective culture" of that group. According to him,

Subjective culture is a cultural group's characteristic way of perceiving the man-made part of the environment. The perception of rules and the group's norms, roles and values are aspects of subjective culture...People who live next to one another, speak the same dialect, and engage in similar activities...are likely to share the same subjective culture (p. 4).

When people from different subjective cultures interact, their interpretations of a situation or behavior differ markedly. Heider (1958) states that these interpretations can be viewed in terms of attributions that a person makes. According to him, individuals engage in the process of making attributions or interpretations of behavior in order to render the world more predictable and understandable. Interpretations of behavior, in turn, are critical because discrepancies in attributions lead to misunderstandings.

Cross-cultural training can help individuals overcome this bias by helping them understand the perspectives of
persons from another culture and teaching them about the
other's subjective culture (Albert, 1983). Intercultural
training includes information about how people of other
cultures view the world as well as their own cognitive
tendencies (for example, ethnocentrism) which causes
problems in cross-cultural situations (Black and Mendenhall,
1990). It enables individuals to learn both content and
skills that will facilitate effective cross-cultural
interaction by reducing misunderstandings and inappropriate
behaviors.

Limitations of the Study

This study had the following limitations:

(1) The study was restricted to Japanese and American
business professionals working in the United States at the
time of the study. Due to time and cost constraints,
personal interviews were conducted with American and
Japanese executives in the Dallas/Fort Worth metroplex in
Texas.

(2) Although there is no limit to the number of episodes
that could be generated for the intercultural sensitizer,
given the time and cost constraints, a reasonable number of
episodes covering major areas of misunderstanding were
constructed.
Definition of Terms

ACCULTURATION: Those changes set in motion by the coming together of societies with different cultural traditions (Sills, 1968).

BICULTURAL EXPERT: A person who is a member of the learner or target culture and who has had extensive experience with both cultures (Albert, 1983).

CRITICAL INCIDENT: A set of procedures for collecting direct observation of human behavior in such a way as to facilitate their potential usefulness in solving practical problems and developing broad psychological principles (Flanagan, 1954). The intercultural sensitizer utilizes the critical incident technique.

CROSS-CULTURAL: Individual contact and interaction (professional and/or social) between people who are clearly dissimilar; they may have different skin color or speak a different language; or come from different ethnic backgrounds (Brislin, 1981).

CROSS-CULTURAL TRAINING: Teaching members of one culture ways of interacting effectively with minimal misunderstanding in another culture (Brislin and Pedersen, 1976).

CULTURE: A system of shared meanings which need not be communicated explicitly but nevertheless create the context of meaning for social interactions (Pascale, 1978).
INTERCULTURAL SENSITIZER: A cross-cultural training tool that is designed to increase the likelihood that trained individuals will make accurate interpretations concerning behavior observed in individuals from other cultural groups (Albert, 1983). The intercultural sensitizer is a booklet containing several episodes of potentially problematic cross-cultural interactions. A question is posed at the end of each episode, followed by plausible explanations. The trainee is asked to choose a response. Rationales explain if the choice is an appropriate one or not. The intercultural sensitizer training technique utilizes a programmed learning format, in that the trainee can proceed at his or her own pace. Moreover, it can be used as a self-directed learning device or presented one incident at a time in a group format.
CHAPTER II

REVIEW OF LITERATURE

This chapter discusses related literature in the following areas:

(1) need for cross-cultural training;
(2) historical overview of cross-cultural training approaches and techniques; and
(3) overview and evaluation of the intercultural sensitizer as a cross-cultural training tool.

Need for Cross-Cultural Training

In recent years, the issue of cross-cultural training has assumed greater urgency. The increasing globalization of companies has created cross-border organizations where superiors and subordinates who must work together are very likely to come from a range of different cultures (Hall, 1995). As corporate survival becomes increasingly dependent on global business, cross-cultural training has become increasingly necessary for awareness of business approaches, cultural norms, values, practices, styles, rituals and languages (Ament and Deszca, 1992).

The literature on cross-cultural training supports the
view that adjusting to the different ways in which business is conducted internationally is perhaps the biggest problem executives have to solve (Daniele, 1994; Ralston et al., 1995; Vickers, 1992). International assignments play a major role in multinational companies. Most of these global assignments require individuals to communicate effectively in other cultures (Black et al., 1992). But cross-cultural business practices and global markets are fraught with difficulties. Although failure has been variously operationalized, research literature on U.S. international assignees is fairly consistent in reporting relatively high failure rates among these organizations (Caudron, 1991; Ioannou, 1995; Swaak, 1995). This includes premature return rates, poor job performance, individual and family adjustments and difficulties in maintaining productive and satisfying social relationships (Mendenhall and Oddou, 1988). In addition, the costs associated with these failures are also fairly high (Harris and Moran, 1996; Ioannou, 1995; Stone, 1991; Wederspahn, 1992).

A large body of research confirms that the predominant reason for such failure is not due to the technical competence of managers but due to the dynamics of the intercultural experience (Dinges, 1983; Dunbar and Allan, 1990; Iles, 1995; Solomon, 1994; Swaak, 1995). These dynamics of intercultural experience include differences in
cultural perceptions, values and practices which influence understanding, attitudinal satisfaction with living in a foreign culture, relationship development, and the accomplishment of goals (Hall, 1976; Brislin, 1993; Brislin and Yoshida, 1994).

Many believe that misunderstandings in intercultural encounters are due to one individuals not being competent in the other's language. But as Gudykunst (1991) points out, linguistic knowledge alone is not enough to ensure that our communication with people from other cultures or ethnic groups will progress smoothly or be effective. As he puts it, "If we understand other's languages, but not their cultures, we can make fluent fools of ourselves" (p. 2).

Cultural backgrounds at work bring to the surface a variety of values, work ethics, and norms of behavior that are ethnically and culturally rooted. Hofstede's (1980, 1984) seminal study of multinational companies in 53 countries found four dimensions of cultural variability: (1) power distance--the concept which suggests hierarchical relationships among people in a society; (2) uncertainty avoidance--the extent to which individuals are able to tolerate ambiguity; (3) individualism--the degree of individualism versus collectivism expected of individuals; and (4) masculinity--the degree to which individuals adhere to a collection of aggressive traits.
A more recent cultural analysis was made by Trompenaars (1994) who administered research questionnaires to more than 15,000 managers from 28 countries. Like Hofstede's earlier work in other countries, he identified four additional dimensions that provide cultural insights: (1) universalism versus particularism—i.e., legalistic perspectives versus personal relationships; (2) neutral relationships versus affective relationships—the way in which emotions are expressed; (3) specific relationships versus diffuse relationships—degree of involvement or intimacy individuals are comfortable with when dealing with other people; and (4) achievement versus ascription—whether status and power are achieved or earned, or ascribed by age or gender.

Both studies found that these cultural variables explained more of the variance in individual attitudes than other variables such as specific job, age, or gender, and provide strong support for cross-cultural corporate training. Attempts of managers to work together with employees of different backgrounds are also likely to be hampered by communication issues, insensitivity, and ignorance of each other's motivation (Jamieson and O'Mara, 1991). A person's culture shapes a host of business communication factors in the workplace. The way individuals treat each other, negotiate, manage conflict, give or follow order and treat customers all depend on cultural factors.
Much of work-related cross-cultural effectiveness is dependent on how people from different cultures view each other. Albert (1983) states that situations differ from culture to culture because norms and meanings of behaviors vary. However, people in general tend to view the world through the eyes of their own culture and interpret situations through their own culture, resulting in misunderstandings.

People within a cross-cultural corporation may share common perceptions because they are oriented toward the same purpose through working together in the same situation. However, the fact is that people usually retain their own perceptual systems in an organization. Adler (1986) found that: “Corporate culture did not reduce or eliminate national differences...Far from reducing national differences, organizational culture maintains and enhances them” (p.6). This suggests that sharing different perceptions is not easy in an organization, even though people are sharing the same experiences with one another.

Consequently, in order to work effectively in a culturally mixed environment, it is necessary to recognize, and adjust to, the absence of a uniform set of values and behavior. One potential solution is the use of effective training interventions. A meta analysis (Deshpande and
Viswesvaran, 1992) of over 20 empirical studies in the area of cross-cultural effectiveness found that cross-cultural training had a strong and positive impact on cross-cultural skills development, adjustability and job performance. However, the use of cross-cultural training particularly in American businesses is not widespread (Black, 1988; Black and Mendenhall, 1990; Oddou, 1991). Only 30 percent of managers sent on expatriate assignments receive some form of cross-cultural training (Black and Mendenhall, 1990).

The expatriate business professional is not the only potential audience of cross-cultural training. Nadler, in a preface to Harris and Moran (1987) states: "At one time, the only concern was with the manager going abroad. Although this is still a significant concern, it is now exacerbated by the flood of foreign managers into the United States...These countries send over not only their money, but also their managers to make sure that performance and product meet the needs of the foreign corporation" (p. viii).

In addition to businesses, cross-cultural training can also help other diverse groups such as government agencies, foreign missions, multicultural education program, foreign students in the United States and faculty and students abroad (Brislin and Pedersen, 1976; Eddy, 1995).

While the major goal of cross-cultural training is
effective intercultural interaction, many scholars have discussed the objectives of such training. Gudykunst and Hammer (1983) identify eight major objectives: (1) to provide information on other cultures; (2) to provide occupational skills to the individual in terms of the culture in which he or she will work; (3) to develop tolerance of different attitudes, values, and beliefs; (4) to develop language skills; (5) to provide individuals with the culturally appropriate behavioral response; (6) to help individuals deal with culture shock; (7) to develop cultural self-awareness; and (8) to develop in the individual an orientation that will enable that person to experience a new culture in a positive way.

**Historical Overview of Cross-cultural Training**

The field of cross-cultural training is relatively new; it emerged about 30 years ago as a recognized educational activity (Paige and Martin, 1983). The authors trace the formal emergence of cross-cultural training in the U.S. to the early 1960s, when U.S. Peace Corps personnel were prepared in three-month-long training programs for working and living in other nations. During those years, cross-cultural training programs most frequently approximated the American university academic approach to teaching and learning. Hence, the early approach was categorized as the
University Model, and emphasized an "information-based, lecture-dominated, cognitive-centered pedagogy" (Harrison and Hopkins, 1967). However, this model was perceived as being too theoretical, which led to the introduction of the Area Simulation Model, where the basic idea was to duplicate a model of a foreign country as a training laboratory (Brislin and Pedersen, 1983).

In an effort to furnish a framework for the classification of cross-cultural training programs, Downs (1970) specified four training models: (1) the intellectual model; (2) the area simulation model; (3) the self-awareness model; and (4) the cultural awareness model. The intellectual model consists of lectures and reading materials about a host culture. It is assumed that an exchange of information about another culture is effective preparation for living or working in another culture.

The area simulation model involves simulation of future experiences and practice in functioning in a new culture. It is based on the belief that an individual must be prepared and trained to enter a specific culture. The self-awareness model, on the other hand, is based on the assumption that understanding and accepting oneself is critical to understanding a person from another culture. Sensitivity training is a major component of this method.

Lastly, the cultural awareness model assumes that to
effectively function in another culture, an individual must learn the principles of behavior that exist across cultures. Kraemer (1969) summed it up as follows:

...training for international assignments might be improved by the inclusion of a process designed to develop the trainee's "cultural self-awareness," that is, his awareness of the cultural nature of his own cognition, particularly of the various subtle ways in which his own cultural background will influence him in his interaction with host-country nationals. This means that the trainee would become aware that many of his cognitions, previously thought "natural" or "normal," and therefore universal, may not be shared by members of another culture (p. 2).

Since then, researchers have used various classification systems for the methods and approaches to cross-cultural training. Many of these classification systems overlap, although different terminologies are used in the literature, which can be confusing. Most training approaches, however, fall under three domains: cognitive, affective, and behavioral (Albert, 1983; Triandis, 1977).

Approaches that emphasize cognitive factors typically seek to provide understanding of another culture by providing information about it. The attributional approach is perhaps the best known of cognitively-based approaches.
It aims at teaching participants from one culture to understand the behavior, perceptions, feelings, and interpretations given to situations by members of the target culture (Albert, 1983).

Approaches emphasizing behavioral factors typically aim at teaching persons from one culture to behave in ways that are appropriate in another culture. One of the best-known behavioral approaches uses behavior modification techniques in which the individual receives reinforcement for behaviors that are appropriate for the target culture.

Finally, approaches that emphasize affective factors aim at teaching people about another culture by influencing their feelings. This is done either by immersing the individual in the target culture or, when time and resources are limited, having the individual participate in encounters and sensitivity training groups in controlled settings.

Brislin et al. (1983) identify six basic approaches to cross-cultural training: Information or fact-oriented training, attribution training, cultural awareness, cognitive-behavior modification, experiential learning, and interaction approach. These approaches are discussed at length here since they encompass the various typologies used by researchers, and are also the most commonly used in the literature of cross-cultural training.

(1) Information or fact-oriented training provides learners
with specific information concerning another country's everyday behaviors, decision-making styles and typical behaviors. Trainees are presented with various facts about the country in which they will live in through lectures, group discussions, video tapes and reading materials. This type of training increases trainees' cognitive knowledge of the target culture and gives them a foundation of knowledge for future experience. It assumes that a cognitive understanding of a culture's people, customs, and institutions is of major importance if one is to live effectively in a foreign culture (Harrison and Hopkins, 1967). Since the focus of this approach is on presentation of information in a lecture-type format, Warren and Adler (1977) label it the didactic approach to cross-cultural training.

(2) Attribution training has been derived from social psychological theorizing (Fiedler et al., 1971). Attributions are interpretations of behavior and attribution training teaches members of one culture to make attributions commonly made by members of another culture (Triandis, 1975). One instrument for culture learning through attribution training is the intercultural sensitizer or culture assimilator. Triandis (1977) states that this is the most time-consuming, yet effective, method of training. (The intercultural sensitizer is discussed in greater detail
(3) Cultural awareness approach: By studying behavior and values that are common in one's own country, trainers using this approach hope to acquaint trainees with basic ideas about cross-cultural relations. The goal of this training is to introduce knowledge about culture by asking trainees to study their own country, and to prepare people for life in other countries by introducing the nature of cultural differences (Brislin et al., 1983).

One specific method developed to communicate culture awareness is the Contrast American technique (Kraemer, 1969; Stewart, 1966). This technique consists of role-playing encounters between a citizen of the United States and a person of another, simulated culture (this person represents a composite culture). Members of the simulated culture hold values in complete contrast to those of Americans. The technique is based on the assumption that improved self-awareness will increase cross-cultural understanding (Brislin and Pedersen, 1976).

The technique was developed to simulate psychologically and culturally significant interpersonal aspects of the overseas situation in a live role-play encounter (Brislin and Pedersen, 1976). Stewart et al. (1973) outline four steps in the simulation construction: (1) Literature describing American cultural patterns is reviewed and
analyzed, and American values and assumptions are identified. (2) These dimensions are extended to derive differences of cultural characteristics that contrast with American ones. (3) A series of overseas advisory situations is then constructed to elicit spontaneous culturally-derived behavior from an American trainee. (4) Role-players are trained to reflect the contrast-American values in an emotional confrontation between the role-player and the trainee. Harris and Moran (1987) state that the major drawbacks of this technique concern the applicability and transfer of concepts to a particular situation, and the ineffectiveness of the technique if the role-players are not well-trained.

Another technique known as Self Confrontation combines interaction with a Contrast American and videotape technology (Brislin and Pedersen, 1976). After the role-playing, the trainee and trainer play back the tape, criticizing weak points in both verbal and nonverbal behavior. The trainee can observe responses and evaluate behavior for better performance in a future role-play situation or in an actual encounter in a different culture. Trainees then role-play the same or similar situation again so that learning can be measured.

Following Down's categories, this is essentially a self-awareness model of training. Harris and Moran (1987)
state that the technique uses a psychological principle of stimulated-recall that is useful in rapid learning, but that retention and application of these skills over a longer period of time has not been demonstrated. (4) The cognitive-behavior modification approach, developed by David (1972), focuses on teaching trainees specific behaviors that are used in the host culture. The major belief underlying this approach is that if the trainees learn the skills necessary to behave appropriately in another culture, they will be able to function more effectively. David (1972) employed a behavior modification approach by asking people to analyze the aspects of their own culture which they find rewarding and punishing. The people then studied other cultures to determine which of these rewards and punishments were present, and how they could be obtained or avoided.

Albert and Triandis (1985) argue that training should not aim to change behavior but to teach individuals about another culture. Thus, since the focus of the behavioral method is to change specific behavior, it may not necessarily result in increased knowledge or understanding of the diverse aspects of other cultures. Also, Brislin et al. (1983) point out that, in this approach, the demands on trainers are high with respect to their specific knowledge about different countries or ready access to that knowledge.
If trainees are to list rewards and punishments, the trainer must know a great deal about other countries in order to suggest how things are disliked can be avoided and how things that are liked can be obtained.

(5) The experiential approach uses structured activities that are designed to confront the trainees with situations that may be encountered in a foreign culture. Trainees then react to the situation intellectually, emotionally, and behaviorally. At the conclusion of the activity, the trainees, along with the trainer-facilitator, discuss the experience. Gudykunst and Hammer (1983) state that this discussion stage is designed to help trainees cognitively (a) identify and analyze cross-cultural differences in values, assumptions, expectations, and behaviors; (b) examine their intellectual, emotional, and behavioral reactions to the situations presented in the structured activities; (c) examine the influence that their own culturally learned beliefs, values, and assumptions had on their reactions to the situations or problems, as presented; and (d) integrate the experiential learning to the trainees' conceptual framework (p. 124).

The experiential approach to training is the most widely discussed in the literature perhaps because intercultural training usually involves some aspect of experiential learning.
The interaction approach bears a great deal of similarity to aspects of experiential methods. The basic element in this method is that people interact with host nationals during the training program (Brislin et al., 1983). The supposition is that if people can learn to become comfortable with hosts during the relatively non-threatening training environment, and if they can learn from old hands, they will be able to begin productive work much earlier during the actual overseas assignment.

The application of this approach has almost exclusively been done in Intercultural Communication Workshops (ICWs) that are usually held on university campuses (Gudykunst et al., 1977). The ICW strives to increase awareness among participants concerning the role their cultural background, values, and learned behaviors play in influencing their perceptions and interactions with others. As Althen (1975) states:

From an intercultural communication workshop a participant can learn about the subject of culture generally, about the cultures represented in the group, and about the problems of communication which exist when members of differing cultures come together. Perhaps most important, he (sic.) can learn about himself, since the encounter with contrasting value and behavior systems will normally illuminate his own with
marked effect (p. 80).

Gudykunst et al. (1977), however, advocate an integrated approach to cross-cultural training, arguing that the utilization of any of these approaches alone will not adequately prepare a trainee to effectively function in another culture. Based on research findings, they state that a three-stage integrated approach to cross-cultural training is ideal. The three stages are: (1) Perspective training, (2) Interaction training, and (3) Context specific training. This approach is often referred to as the PIC approach to cross-cultural training.

The first phase of PIC training focuses on developing in trainees an intercultural perspective in order to better understand unfamiliar situations encountered in a foreign culture. This viewpoint is neither from the trainees' own culture nor from the host culture. Rather, as Gudykunst et al. (1977) state, "this perspective acts as the facilitating psychological link between the trainees own cultural perspective (i.e., assumptions, values, patterns of thought, learned behaviors, etc.) and the perspective of another culture" (p. 107). It is hypothesized that this intercultural perspective facilitates effective functioning in another culture. The cross-cultural training approach used in this stage of training is the cultural self-awareness approach.
The second stage of PIC training involves interaction with people from the host culture. This gives trainees a chance to apply the intercultural perspective to their interactions with people from another culture. It also gives them a chance to learn how they are perceived by people from the other culture and enables them to develop and improve their intercultural communication skills.

The final phase of PIC training is culture-specific. It focuses on particular situations that trainees will find themselves in the other culture, and teaches them the specific skills and cognitive information necessary to effectively function in that particular situation. Thus, this phase of training employs the intellectual, behavioral and possibly area simulation approaches. The authors argue that the integration of all three stages of the PIC approach will yield the highest possibility of increasing the trainees' ability to effectively function in another culture.

Cross-cultural Training Goals

There are many ways to train individuals for cross-cultural encounters, and the diversity of approaches reflects the various goals of cross-cultural training. One goal of cross-cultural training is to reduce ethnocentrism. Gudykunst and Kim (1984) view decreasing ethnocentrism as crucial "if we are to become more functional and effective
in our intercultural environment" (p. 224).

Mendenhall and Oddou (1988) identify personal, people, and perception skills as the goals of cross-cultural training and the key to effective cross-cultural adaptation. Personal skills include mental and emotional balance, and managerial skills. People skills are intercultural interaction skills. Perception skills are cognitive skills that help overseas employees understand host national behavior. The authors state that the perception skill is central to the cross-cultural adaptation process and to any intercultural encounter. Cross-cultural training provides this skill by making trainees aware of differences in cultural perceptions.

Bhawuk (1990) too underscores the importance of this skill. He identifies three goals that should be achieved in cross-cultural interaction: (1) teaching trainees how to learn; (2) teaching them how to make isomorphic attributions (i.e., making the same judgment as a person from the other culture); and (3) teaching them how to handle what he terms, disconfirmed expectancies (i.e., turning an unmet expectation into a negative stereotype) (p. 327).

Training Techniques

An important part of developing any cross-cultural program is to determine the most appropriate training structure prior to selecting training methodologies.
Pedersen (1988) views multicultural development as a three-stage process of awareness, knowledge and skill. The awareness stage ensures that the trainee is making an appropriate assessment of attitudes, opinions, and assumptions about the target culture. This is followed by the knowledge stage which ensures that the trainee has the facts and information to survive in a multicultural environment. Finally, the skill stage has the trainees practice interacting with members of the target culture to test and implement the first two stages.

Training aids can enhance the potential for successful transference of information needed for multicultural development. Dimmick (1995) classifies training aids into three categories that reflect the three representational systems—visual, auditory, and kinesthetic. Training aids that have greatest impact on people with visual preference include such teaching aids as flip charts and computer-slide presentations. Those with auditory preference benefit from discussions and question-and-answer techniques, while those with a kinesthetic preference gain best from computer-based interactive learning and hands-on experiences. Hall (1995) argues that using a variety of teaching aids will ensure that no one representational system is ignored for any length of time during a training session.

Furthermore, content and sequencing of training
components are critical factors when designing a training program. Paige and Martin (1983) present a model for sequencing cross-cultural activities which is conducive to learning. They list six frequently used training activities; these are then presented in a sequencing order according to behavioral requirements of the activity, the learning domain, and the degree of personal risk associated with the activity: (1) lectures, (2) discussions, (3) group problem solving, (4) critical incidents, (5) role plays, and (6) simulations.

The above sequencing of activities suggests that trainers begin with cognitively-oriented, lower-risk and more familiar types of learning activities, and then move to higher-risk, more affectively-oriented activities.

Muniz and Chasnoff (1983) support such a design with their cultural hierarchy model. They identify six levels to achieving cultural awareness: (1) self awareness, (2) technical or professional skills, (3) factors beyond culture that influence behavior (understanding, empathy, the dynamics of poverty, sexism, racism), (4) understanding and knowledge of one's own culture, (5) factors specific to one's own country (understanding the differences among monocultures and multicultures), and (6) knowledge and understanding of the other culture. Within their framework, Muniz and Chasnoff (1983) state that to achieve knowledge
and understanding at level six, one must gain knowledge and understanding at the first five levels. Cross-cultural training programs that ignore those levels and concentrate only on level six risk failure.

Culture-General versus Culture-Specific Training Methods

A major debate in the intercultural field centers around whether cross-cultural training should be country- or culture-specific, or culture-general. That is to say, should training focus only on one particular country or should it be designed to help people develop skills useful in any cross-cultural interaction? Culture-general training, according to Brislin and Pedersen (1976), refers to "such topics as self-awareness and sensitivity training that allow a person to learn about themselves as preparation for interaction in any culture" (p. 6). Similarly, Triandis (1977) views it as "exposing the trainee to a variety of cultural habits, norms, roles, values, and circumstances to provide the trainee with 'sample of experiences' which reflect the variations that exist anywhere on earth" (p. 21).

Culture-specific training, on the other hand, as the term suggests, is training that is specific to a particular culture or country (Triandis, 1977). Brislin and Pedersen
(1976) state that it usually refers to "information about a given culture and guidelines for interaction with members of that culture" (p. 21).

There is little empirical data to document which of the two approaches is more effective in cross-cultural training. Proponents of culture-general training such as Stewart, Danielian and Foster (1969) argue that, "it is insight into one's own values and assumptions that permits the growth of a perspective which recognizes that differing sets of values and assumptions exist" (p. 7), thus allowing for greater understanding of another culture and deeper cultural self-awareness. On the other hand, proponents of culture-specific training such as Rippert-Davila (1985) and Roth (1967) argue that specific methods for learning how to make decisions with people from a specific culture are more valuable than culture-general training.

Both approaches, however, are not without potential pitfalls and there are problems in using either one to the exclusion of the other. Rhuly (1976) points out two drawbacks of culture-general training. One, it involves more time than culture-specific training so that it may be appropriate only if there is a considerable amount of time available prior to departure. The second drawback is that with a culture-general approach, "you (the trainee) will be left feeling your way through many of your first contacts
with the culture. That is, you may have no idea of what behaviors to avoid, until you have discovered them--often through trial and error" (Rhuly, 1976, p. 33).

With respect to culture-specific training, Rhuly (1976) warns that culture-specific information, such as norms of the culture, may blind trainees to the qualities of the individuals whom they meet or work with in another culture. In addition, Downs (1969) argues that culture-specific training fails to understand the culture concept since it is impossible to prepare a list of dos and don'ts that covers all possible situations.

More recently, researchers have advocated the inclusion of both approaches. Harris and Moran (1991) suggest that cross-cultural training should be an integrated approach consisting of both general cultural orientation and specific cultural development. Within this integrated framework, Marquardt and Engel (1993) state that there are two basic approaches to training: an inductive method that progresses from specific to the general, and a deductive approach that goes from the general to the specific. Most researchers recommend the latter as being more conducive to learning. Kohls and Knight (1994) argue that training for cross-cultural interaction should start with culture-general material, then turn to the culture of the trainee's own country, and finally to a country-specific phase that
concentrates on the country with which the trainee will interact with or which the participant is going to.

The Intercultural Sensitizer

The Intercultural Sensitizer, originally known as the culture assimilator, was first developed by social scientists at the University of Illinois in the 1960s. More recently, the culture assimilator has come to be known as the Intercultural Sensitizer. Albert (1983) states that the latter is a more accurate term since its purpose is to "sensitize persons from one culture to the culturally different perspectives of persons from another culture" (p. 189). Intercultural sensitizers introduce basic concepts, values, customs and perspectives that are essential to effective interaction with other cultures. They can be designed to provide various emphases: (1) interpersonal attitudes that contrast the learner's culture and the target culture; (2) customs of the target culture; and (3) value contrasts of the two cultures.

The intercultural sensitizer comprises a series of episodes or narratives describing an interaction between two cultures that could result in a cultural misunderstanding. The incidents are based on actual or reconstructed experiences of persons from the two cultures, and are obtained from interviews, observations, literature reviews
or ethnographic methods (Albert, 1983). Moreover, the information is chosen so as to present situations where differences between the two cultures are either very great or very important. In other words, the sensitizer focuses on critical problems or key differences (Albert, 1983).

Each critical incident ends at some point of conflict due to cross-cultural misunderstanding or miscommunication. Trainees are asked to interpret the situation by choosing from four plausible interpretations of the interaction. After each selection, the learners are given feedback about their choices and told whether the interpretation selected was the one preferred by the target culture or not. A correct response is reinforced with additional information about the subjective culture of that group. However, if the response is incorrect, the trainee is directed back to the incident and asked to select another response. This programmed learning format enables trainees to learn to choose the attributions that are appropriate to a different cultural environment.

One basic premise of all intercultural sensitizers is that the critical problems in heterocultural encounters occur in areas where there is the greatest divergence in norms, customs, and values between the two cultures (Fiedler et al. 1971). Where there are no differences, there is little cause for conflict. Consequently, as Albert (1983)
states, "The basic requirement for the construction of an assimilator is to identify those critical problems and situations and to provide the learner with an active experience from which he (sic.) can learn the behaviors, norms, perceptions, attributions, values and customs of another culture" (p. 189). Flanagan (1954), who first introduced the concept of the critical incident, defines it as,

A set of procedures for collecting direct observation of human behavior in such a way as to facilitate their potential usefulness in solving practical problems and developing broad psychological principles... By an incident is meant any observable human activity that is sufficiently complete in itself to permit inferences and predictions to be made about the person performing the act. To be critical, an incident must occur in a situation where the purpose or intent of the act seems fairly clear to the observer and where its consequences are sufficiently defined to leave little doubt concerning its effects (p. 327).

But the main problem in the development of any culture assimilator, or indeed any culture training program, is, as Fiedler, Mitchell, and Triandis (1971) point out:

How can we meaningfully simulate intercultural interactions? There are innumerable ways of learning
about another culture. Most methods involve paper and pencil or books (and) make the trainee a passive observer. Yet the heterocultural encounter is by definition an active process. The participants must continually evaluate, interpret, and react, and again evaluate the effect of their reactions. We were, therefore, committed to an instructional program which made the trainee an active participant in the learning process (p. 96).

By discussing a series of incidents and their alternative explanations, the intercultural sensitizer provides the trainee with an active experience with which he or she can learn the important behaviors, norms, values, perceptions, attributions, and customs of another culture. Moreover, the ICS does not require the trainee to surrender his or her own culture, but rather learn to see situations from the perspective of members of the other culture (Albert and Adamopoulos, 1976).

The intercultural sensitizer, however, is only a framework and there are limitations to it. Leong and Kim (1991) point out that cultural differences are highly complex and there is seldom one correct answer for an interpersonal encounter. Albert (1983) too, cautions against the following: (1) some of the more complex interactions will be difficult to convey through simple
episodes; (2) the format of the intercultural sensitizer may cause trainees to focus their attention on the more obvious aspects of the individual situations and not on the underlying themes or motives; (3) other training approaches may be more effective when the goal of training is to change behavior or attitudes; (4) not all sources of misunderstanding can be covered in an intercultural sensitizer; (5) the intercultural sensitizer is limited to teaching only those concepts and principles that can be conveyed verbally; and (6) culture is ever changing, so culture-specific assimilators may need updating.

Nevertheless, despite these caveats, the value of the intercultural sensitizer lies in illustrating important cultural differences and encouraging more awareness and discussion of culture's impact on what we do. Fiedler et al. (1971) suggest three particular strengths of this approach: (1) The training depends on a detailed analysis of empirically derived critical cultural information relevant for effective interaction; (2) It provides an active, ego-involving training procedure; and (3) It has been shown to improve the effectiveness and satisfaction of those trained with this method when they are compared with those trained with other methods.

Albert (1983) lists the following additional advantages of the intercultural sensitizer: (1) it uses a programmed
learning format, thus making it possible for individuals to get immediate feedback; (2) it allows individuals to progress at their own rate; (3) it can be used repeatedly; (4) it can be used individually or in groups; and (5) it can be used in conjunction with discussions, role-playing and other culture learning approaches (p. 208).

**Training Effectiveness of the Intercultural Sensitizer**

The intercultural sensitizer approach to culture training has been evaluated more extensively than other approaches (Brislin and Pedersen, 1976; Harris and Moran, 1987). Various studies have shown that positive results may be obtained with the culture assimilator approach in the laboratory and in applied field settings (Albert, 1983; Chemers et al., 1966; Fiedler et al., 1971). They have also demonstrated a positive impact on cognitive (Landis et al., 1985; Weldon et al., 1975); affective (Worchel and Mitchell, 1970); and behavioral (Symonds et al., 1967) processes.

The relative effects of alternative approaches has also been examined. O'Brien and Plooji (1977) found that critical incident training (programmed instruction) had a stronger effect on retention and generalization of cultural knowledge than did essay training or no training at all. Others have evaluated the effectiveness of combinations of training techniques. Gudykunst et al. (1977) concluded that
a six-hour lecture training was less effective for Navy personnel than a three-day seminar in which simulation (role play), programmed instruction, lecture, and interaction techniques were integrated.
CHAPTER III

METHODOLOGY

This section discusses the participant selection for the study, the research design employed, the procedure for collecting the data, and the validation of the intercultural sensitizer. The study utilized both qualitative and quantitative methodologies: personal interviews were conducted for obtaining the data, and a statistical analysis was done for the completed intercultural sensitizer.

Participant Selection

Population

The population for this study consisted of American and Japanese business professionals in the United States at the time of the study. To control for cost and time, the population for Phase 1 (personal interviews) and Phase 3 (elicitation of attributions) of this research comprised American and Japanese business professionals in the Dallas/Fort Worth metroplex in Texas. The population for Phase 5 (validation stage) comprised Americans and Japanese working in the United States.
Sample

For Phase 1 of this research (personal interviews), individuals were selected from the subject pool of American and Japanese business professionals working in Japanese companies in the Dallas/Fort Worth metroplex. The selection was made based on personal leads and from Japanese companies listed in the Directory of Foreign Manufacturers in the United States. Individuals were contacted and those willing to participate were interviewed; those unable to participate were excused. This method of selection was used primarily because these phases required extensive participation and considerable time commitment on the part of the subjects.

The sample for Phase 3 (attribution elicitation), was selected from the subject pool of Americans and Japanese working in the Dallas/Forth Worth area, though not necessarily working in a Japanese company. Again, because of the extensive participation required, the sample included individuals who were willing to participate.

For the final validation stage, 100 Japanese and 100 American business professionals working in various parts of the United States were selected. The list was obtained from the Directory of Corporate Affiliations in the United States. The Japanese sample was selected from Japanese companies in the U.S. while the American sample was selected from those working in American organizations.
Informed Consent

Letters detailing the purpose of the study and a description of confidentiality measures were given to each respondent (see Appendix B).

Research Design

Development of the intercultural sensitizer (ICS) for this study was based on Albert's (1983) delineation of the construction of an intercultural sensitizer. Construction of an ICS is a multiphase process. The basic phases are as follows:

(1) Generation of episodes
(2) Episode construction
(3) Elicitation of attributes
(4) Selection of attributes
(5) The completed intercultural sensitizer

Phase 1: Generation of Episodes

Incidents for the generation of episodes were obtained from in-depth personal interviews with 19 American and Japanese business professionals working in Japanese companies in the Dallas/Fort Worth metroplex. Of these individuals, 10 were American and 9 Japanese. They included vice presidents, managers, accountants, and executives in various departments such as marketing, sales, and human resources. The subjects were chosen so that there would be
similarity between the two groups in terms of job position.

In-depth interviews were held with these subjects at their places of work. The interviews with both culture groups were conducted in English since it is assumed that Japanese in the U.S. have a working knowledge of the English language. At these interviews, details concerning circumstances surrounding the occurrence of a misunderstanding or conflict, and the behavior and reactions of individuals were recorded for use in the construction of the final episodes.

**Phase 2: Construction of Episodes**

From these interviews, episodes depicting potentially problematic interactions were written up. Episodes that were too similar in nature or those which were too general and/or lacked clarity or substance regarding the conflict situation were eliminated. At the end, 25 episodes were constructed for use. To ensure that the conflict reflected in each episode was a true cultural difference and not the result of, say, a personality conflict, a bicultural expert was identified. A bicultural expert is a member of either of the two cultures targeted in an intercultural sensitizer, and one who has knowledge of, and experience with, both those cultures. The bicultural expert identified for this study was Dr. Dale Rorex, director of multicultural studies at Seiwa College in Nishinomiya, Japan. Dr. Rorex,
who previously served as director of the intensive English language program of City University of New York, has done extensive research on Japanese cultural and educational issues, and on the challenges of Japanese higher education to American business. He was chosen based on professional qualifications and experience with Japanese and American cultures.

As bicultural expert, Dr. Rorex verified that each of the constructed episodes did, in fact, represent fundamental cultural differences between the Japanese and Americans.

**Phase 3: Elicitation of Episodes**

Once the episodes were constructed and verified, different cultural interpretations or attributions were obtained for the episodes. According to Albert (1983), attributions can be elicited in a variety of ways: by relying on a few knowledgeable informants, by using ethnographic information, by utilizing subjective culture information, or by asking persons from each culture to interpret each situation. In this study, the last approach was utilized because, as Albert (1983) points out, although this approach is generally more time-consuming and elaborate, it has the potential of being more representative and reflecting the perceptions of the relevant groups more accurately.

Thus, attributions were elicited by giving the episodes
to 20 business professionals (10 Japanese and 10 Americans). In order to obtain a variety of responses, this group was not restricted to those who had participated in Phase 1 but also included Japanese and Americans who were not working in Japanese companies. Individuals were contacted and those willing to participate were selected primarily because this phase too required a considerable time commitment.

Each participant was given a copy of the constructed episodes. Each episode ends at some point of conflict when the individuals are faced with a cross-cultural miscommunication or misunderstanding. Following each episode, an open-ended question was posed relating to the incident. The respondents were asked to answer the question in their own words and also provide a rationale as to why they believed their response was a plausible explanation.

**Phase 4: Selection of Attributions**

Once the responses were obtained, attributions for each of the episodes were grouped according to nationality—i.e., either American or Japanese. The bicultural expert was again consulted to select and synthesize attributions that were representative of the two cultures. Each episode has four attributions. While most of the episodes present the customs of the target-culture members (Japanese or American as the case may be), some emphasize value contrasts between the two cultures. All the episodes, however, focus on
situations the learner may encounter in a business setting. Rationales for the episodes given by respondents were synthesized and these were also verified by the bicultural expert. (See Appendix C for completed episodes and attributions.)

In this phase, one episode was eliminated. In their attributions, both Americans and Japanese agreed that the individual's action in the incident was wrong. Thus, it was decided that the episode did not constitute a true cultural misunderstanding. (See Appendix D for the eliminated episode).

Phase 5: The completed intercultural sensitizer

The completed intercultural sensitizer comprised 24 episodes depicting cultural misunderstandings between Americans and Japanese. Each episode had four possible explanations of the misunderstanding. The trainee, presented with alternate choices, is asked to select the one which best explains the misunderstanding. Rationales or feedback for each of the attributions expose the trainee to cultural themes that characterize both cultures. (See Appendix F for episode rationales.)

In order to obtain empirical verification of cultural differences, the completed intercultural sensitizer (minus the rationales), was mailed to a new sample of 100 American and 100 Japanese business professionals within the United
States. This group did not constitute the same individuals who participated in Phase 1 or 3 of the research. To obtain a cultural mix, this group was not restricted to the Dallas/Fort Worth area, but rather comprised Japanese and American business professionals in various parts of the United States. Names of companies were obtained from the Directory of Corporate Affiliations in the United States. The human resource departments of the companies were contacted, told about the research, and the episodes mailed to them. On an average, five questionnaires were mailed to each company. The reason for this method of selection was two-fold: The Directory of Corporate Affiliations lists only the names of very senior management, whereas it was felt that responses from a cross-section of corporate employees would be preferable. Secondly, since the ICS is fairly lengthy and time-consuming for the respondent, prior contact was expected to elicit greater participation than if the ICS was simply mailed to the sample.

Each respondent was given a copy of the episodes. Respondents were asked to select the attribution which they thought offered the most plausible explanation of the situation. For the Japanese respondents, age and length of stay in the U.S. were used as demographic variables to determine if these two variables had any bearing on their responses.
The responses were statistically analyzed to determine whether there was a difference in the way the two culture groups responded. It was expected that a respondent would choose attributions elicited by his or her cultural group. A chi-square analysis was done for each episode to determine if there were cultural differences in the way the two groups reacted to the same situation. The chi-square values were calculated using the statistical software package SPSS for Windows.

The chi-square table was a 2x2 matrix that compared nationality of the respondent (American or Japanese) with the cultural response chosen (American or Japanese attribution). To determine whether age or length of stay in the U.S. had any bearing on the responses of Japanese respondents, a chi-square analysis was done that compared age (below 40 years, or 40 years and above) and length of stay in the U.S. (under 2 years, or 2 years and over) with the cultural attribution chosen (American or Japanese). The chi-square statistic was calculated using .05 as the level of significance. Items with significant chi-square values indicated a difference in the way the two cultural groups responded to the same situation.
CHAPTER IV

PRESENTATION AND DISCUSSION OF THE DATA

This chapter presents the findings of the research, and analyzes the results of the data.

Findings

Cultural misunderstandings between American and Japanese business professionals were identified by interviewing individuals from both cultural groups, and episodes were constructed based on these cultural conflicts. This was accomplished by a multiphase process. In phase 1, incidents for the generation of episodes were obtained from personal interviews with American and Japanese business professionals. Based on these incidents, episodes depicting potentially problematic situations were written up in phase 2. In phase 3, attributions or plausible explanations for the conflict delineated in each episode were elicited from both cultural groups. Attributions representative of the two cultures were then selected in phase 4.

Phase 5 of this research included the validation of the completed intercultural sensitizer. The episodes were mailed to 200 business professionals (100 American and 100
Japanese). Respondents were asked to read the episodes and answer the question posed at the end of each incident by choosing the attribution which they felt was the most likely choice.

Of the 200 episodes mailed, 81 respondents (43 Americans and 38 Japanese) completed and returned the episodes. This phase also included a statistical validation of each episode to determine whether Americans and Japanese responded to the same situation in different ways. The chi-square statistic for each item was calculated using three 2x2 contingency tables. Tables 1, 2 and 3 display the results of this phase. In Table 1, nationality of the respondent (American or Japanese) is compared with the cultural orientation chosen (American or Japanese attribution). In order to determine whether age and duration of stay in the U.S. of the Japanese sample had any bearing on their responses, statistical analyses were done for these two demographic variables. Age of Japanese respondents (below 40 years, or 40 years and above) is compared with the cultural orientation chosen (American or Japanese attribution) in Table 2. Finally, in Table 3, length of stay in the U.S. of Japanese respondents (two years or less, or over two years) is compared with the cultural orientation chosen (American or Japanese attribution).

The following tables display the critical value of each
item, and indicate those items that have significant chi-
square values. A .05 level of significance has a critical
value of 3.84. The .01 level of significance has a critical
value of 6.63, while .001 has a critical value of 10.82.

Attributions chosen by respondents were also tabulated.
Appendix E displays the cultural orientation (American or
Japanese) of each attribution for each episode, and also
provides information on the number of American and Japanese
respondents who chose each of those attributions.
Table 1

Chi-Square Values of Episodes by Nationality

<table>
<thead>
<tr>
<th>Episode No.</th>
<th>Chi-square Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>3.75</td>
</tr>
<tr>
<td>2.</td>
<td>.06</td>
</tr>
<tr>
<td>3.</td>
<td>4.64 *</td>
</tr>
<tr>
<td>4.</td>
<td>4.50 *</td>
</tr>
<tr>
<td>5.</td>
<td>4.33 *</td>
</tr>
<tr>
<td>6.</td>
<td>8.75 **</td>
</tr>
<tr>
<td>7.</td>
<td>4.17 *</td>
</tr>
<tr>
<td>8.</td>
<td>.70</td>
</tr>
<tr>
<td>9.</td>
<td>5.19 *</td>
</tr>
<tr>
<td>10.</td>
<td>1.39</td>
</tr>
<tr>
<td>11.</td>
<td>2.05</td>
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<td>24.</td>
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* p<.05  
** p<.01  
*** p<.001
Table 2

Chi-Square Values of Episodes by Age (Japanese)

<table>
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* p<.05
Table 3

Chi-Square Values of Episodes by Length of Stay (Japanese)

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<td>23.</td>
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<td>.61</td>
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* p<.05
Discussion of the Results

The study had two research objectives: (1) to identify cultural differences that can cause misunderstandings in a business setting, and (2) to develop episodes based on these cultural misunderstandings.

The objectives were met by a multiphase research design. Participant involvement in three phases of this research—phases 1, 3, and 5—helped identify the cultural differences. A detailed discussion of the findings in each of the phases follows.

In phase 1 (personal interviews), American and Japanese participants were asked to recall and discuss specific intercultural encounters that had led to misunderstandings or miscommunication, or occurrences which were simply non-understandable. Distinct areas of cultural differences which either hampered interaction in the workplace or impeded the accomplishment of tasks were identified. These cultural differences included the importance of work versus family obligations, feelings of shame, and loss of face and trust, problems arising from language difficulties, hierarchical patterns in business and personal interactions, ambiguity in business dealings, differences in professional ethics and managerial practices, legalistic perspectives versus personal relationships, and differing codes of business conduct and etiquette. This phase revealed that
there were indeed fundamental cultural differences that manifest themselves in a workplace setting.

This finding was consistent with earlier studies on cross-cultural communication (Hammer, 1984; Kelley et al., 1987; Solomon, 1994) which found that cross-cultural business practices and global markets are fraught with a variety of intercultural difficulties.

In phase 2, episodes depicting these cultural conflicts or misunderstandings were constructed. A bicultural expert verified that each of the episodes did, in fact, represent fundamental cultural differences between Japanese and Americans. Each episode ended at some point of confusion arising out of a cross-cultural misunderstanding or miscommunication.

In Phase 3, respondents were asked for their opinion as to the cause of the misunderstanding or conflict portrayed in the constructed episodes. There were fundamental differences in the way the two groups responded to the same situation. Their varying, and often widely differing, viewpoints, formed the basis of the attributions or probable explanations for the conflict, and indicated basic differences in the belief system or value structure of the two cultural groups.

In phase 4, with the aid of the bicultural expert, the attributions elicited by both cultural groups were selected
and synthesized, as were the rationales for each episode. Thus, each episode comprised an incident depicting a cross-cultural misunderstanding followed by four attributions, each of which offered a possible explanation for the potentially problematic situation.

In this phase, one episode was eliminated. When asked to provide a possible explanation for the conflict, both Americans and Japanese in the sample responded that the actions of the Japanese in the incident were inappropriate. Since the Japanese sample, the target culture in this episode, could not rationalize or explain the Japanese's conduct, it was felt that the episode did not reflect a true cultural misunderstanding or miscommunication, but instead depicted a personality problem.

In phase 5, the validation stage, respondents were asked to choose the attribution which they felt offered the most likely explanation for the misunderstanding in the episode. It was assumed that Americans and Japanese participants would choose an attribution elicited by their respective cultural groups. The statistical validation of the intercultural sensitizer revealed nine episodes with significant critical values, indicating a difference in the way the two groups responded to the same situation. Although there is no single underlying theme that ties the incidents that have significant chi-square values, the
episodes do highlight varying cultural issues and differences in American and Japanese perspectives. They also illustrate some of the dimensions of cultural variability identified by Hofstede (1980) and Trompenaars (1994).

Episodes 3 and 4, for instance, exemplify the cherished Japanese goal of maintaining 'face' and group harmony. In Japanese culture, maintaining 'face' is closely linked to self-esteem. Therefore, the slightest humiliation, such as the possibility of being caught overcharging a government body (episode 3), or admitting a gross billing error to a customer (episode 4) can cause a sense of shame and result in an irretrievable loss of one's face.

The relative importance of work versus family obligations is illustrated in episode 6. Japanese business professionals, unlike most of their American counterparts, believe that the company and their work take priority over personal and family considerations. In this incident, the Japanese boss expected the American employee to readily accept the expatriate assignment. The needs of the company were viewed as being far more important than the employee's difficulties in uprooting his family for the overseas stay. Consequently, the American's refusal to accept the assignment was seen as a blatant breach of company loyalty.

Furthermore, the validation of this episode also
delineated a classic negative stereotype of Japanese society. A large number of Americans (47 percent) responding to the episode, chose attribution #2 which reads, "The Japanese failed to understand how Blass could take into consideration his wife's opinion in this matter. Japanese culture holds that the man is the head of the family and the wife should obey and follow the husband's wishes." Although Japanese society is largely male-dominated, this attribution is an over-generalized conception of Japanese society, and fails to recognize or understand the underlying differences in priorities.

Episode 14 depicts a situation in which Japanese executives engaged in side conversations during a speaker's presentation. This incident had an extremely high probability of .00001, indicating a polar difference in the way the two cultural groups responded to the situation. Americans find such behavior disconcerting and view it as being rude and disrespectful to the speaker. But side conversations are an extremely common practice among Japanese executives and signify nothing more than a way of checking back and forth on comprehension.

The legalistic nature of American business forms the basis of cultural conflict in episode 19. The American's frequent need to confer with his attorney created a cultural abyss at the negotiating table. He may have been simply
formalizing mutually agreed upon details, but the Japanese mistook his actions to indicate a lack of trust or faith in them. The Japanese frowned upon excessive legalistic use, looking upon lawyers, and those who use them, with suspicion, preferring instead a more flexible approach that relies heavily on verbal commitment and understanding.

The Japanese emphasis on personal rapport and trust is also exhibited in episodes 7 and 9. The cultural conflict in these episodes resides in the differing strengths of values applied to business relationships. When a local economic crisis raised the cost of the project, the Japanese expected that the Americans would set aside legal and contractual agreements to honor more implicit obligations. For them, only flexibility concerning such obligations can lead to long-term relationships. Americans, who tend not to rely excessively on personal relationships in business, felt they were being unduly pressured with unreasonable demands.

Episode 24 spotlights a communication breakdown that is a typical and common barrier in cross-cultural encounters. Language is more than a set of vocabulary phrases and rules, and a great part of language learning involves coping with colloquialisms and non-standard vocabulary. In this incident, the Japanese's mistake was in assuming that his extensive coaching and relative fluency in the English language was adequate preparation for crossing the language
barrier. Many of the Japanese respondents in the validation sample, too, chose the attribution which stated the Japanese had not mastered the language. But Americans tend to pepper their speech with slang and phrases peculiar to American culture. Thus, no amount of formal language coaching could have equipped the Japanese for dealing with idiomatic English.

Three other episodes, although not significant at the .05 level, had high critical values. Episode 20 illustrates how radically different senses of pace can present a major stumbling block in business discussions. The American's outburst and directness at the meeting was bewildering and upsetting to the Japanese; while the Japanese's reticence and apparent lack of assertiveness was a cause of frustration to the American. This was a recurrent issue brought up by participants during the interview phase of the study. Americans, typically, prefer to identify a problem and quickly reach a solution. But such a stance is viewed as hurried and superficial by the Japanese for whom decision-making is a lengthy process.

Episode 1, which also had a fairly high critical value, relates to a cultural difference discussed earlier, namely the value placed by Japanese on work obligations. When informed about the company's damaged air freight shipments, the American's physical presence at the office was expected.
Making phone calls was considered as not placing enough emphasis on the situation. For Americans, however, the manner of the corrective action is generally not as important as the fact that the problem has been resolved, especially if family obligations come into play.

Finally, episode 21 delineates a common complaint of Americans, namely the ambiguity inherent in encounters with the Japanese. In this incident, the American mistakenly assumed the Japanese was interested in buying his product. While Americans prefer a forthright answer, Japanese rarely say an outright 'no', believing it rude to give a direct refusal or rejection. Hesitancy and ambiguity are used to convey reluctance and so avoid embarrassment to either party.

However, not all the episodes yielded a statistical significance. In phase 3, Americans and Japanese gave varying reasons for the conflict in the incident, sometimes even diametrically opposed perspectives. However, in phase 5, the two groups did not always choose the attributions elicited by their cultural group. There may be several reasons why more significant differences were not observed. For one, it is not always possible to depict an entire nation's culture accurately. Countries do have a national character, and people from the same nation do share similar traits, norms and values. However, individuals within that
nation may conform to these cultural norms in varying degrees.

In addition to individual differences, there may also be several subcultures present within a nation, with substantial differences among those subcultures. As a result, all people living in a country are not necessarily adherents of the same culture of beliefs. Furthermore, an individual's educational and professional background could impact the manner in which he or she responds to a given situation. Business professionals with extensive international and/or expatriate experience are more likely to recognize cultural differences and respond to a situation from the other culture's standpoint or perspective. Through the acculturation process, individuals with diverse cultural backgrounds may develop similar values and beliefs.

It is also possible that individuals may have answered the way they believe the question should be answered, rather than referring to their own cultural background or what they believe to be true.

In some incidents, Americans and Japanese responded in a similar vein, overwhelmingly choosing the same attribution. This may perhaps indicate the emergence of an international workforce that is becoming more culturally sensitive and aware. As transnational trends in business increase, it is possible that the corporate classroom is beginning to equip
executives who interact extensively with other cultures with
the wherewithal to recognize and understand cultural
differences.

Furthermore, the two demographic variables for the
Japanese sample, age and length of stay in the U.S., did not
have much significant bearing on their responses. There may
be several reasons for this. For one, only 11 of the total
number of Japanese who responded, had been in the U.S. for
two years or less. Language may have been a major
contributor to the low response rate from this group. This
is a problem that most cross-cultural research has to
contend with. Although it was assumed that Japanese in the
U.S. have a working knowledge of English, linguistic
barriers do exist which may have had some impact on the
responses, or lack thereof. Thus, the relatively small
sample size of this group may have played a major role in
the lack of statistical significance in the episodes. This
factor should be taken into account, and caution used, when
generalizing the results obtained from this variable.

Also, within this variable, the two factors being
compared were those who lived in the U.S. for over two years
and those who had lived for two years or less. The
assumption is that individuals who live in a foreign country
for a period of time may begin to adapt to that country’s
cultural perspective. But while acculturation may help
reduce the ethnocentric worldview, it should be pointed out that it is not possible or accurate to put a time frame on the acculturation process. Individuals become acclimatized to a foreign culture at different rates and in varying degrees.

Furthermore, this factor could have also indirectly affected the second variable, namely age of Japanese respondents. While the age variable (below 40 years and 40 years and over) was proportionately represented in the sample, most Japanese respondents had been in the U.S. a long time. It is highly possible that the acculturation process could have masked or overridden the impact of age on the choice of responses.
CHAPTER V

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

This chapter summarizes the study's purpose, findings and conclusions reached, presents implications of this study for cross-cultural corporate training and higher education, and makes recommendations for further research.

Summary

The purpose of this study was to develop an intercultural sensitizer for cross-cultural training of American and Japanese business professionals in order to enhance cultural awareness and understanding between the two groups. The two major research objectives of the study were:

(1) To identify cultural differences between Americans and Japanese that can lead to misunderstandings in the workplace and hinder communication, and

(2) To construct an intercultural sensitizer that will enable the two culture groups to interact more effectively with each other.

Construction of episodes for the development of the intercultural sensitizer was a multiphase process. The five basic phases were as follows:
(1) Phase 1: Personal interviews were conducted with 19 (10 American and 9 Japanese) business professionals. The interviews provided the researcher with actual incidents and situations of cultural misunderstandings for the generation of episodes.

(2) Phase 2: Based on the interviews, 25 episodes were constructed. A bicultural expert was identified to review the episodes and verify that the conflict depicted in each incident was the result of a cultural misunderstanding and not any other form of conflict.

(3) Phase 3: Cultural interpretations or attributions were elicited from 10 American and 10 Japanese business professionals. At the end of each episode, an open-ended question was posed relating to the incident, and respondents were asked to answer the question in their own words and also provide an explanation as to why they believed their answer was a plausible explanation.

(4) Phase 4: Responses were grouped according to nationality—ie, American or Japanese. With the help of the bicultural expert, attributions were selected and synthesized to represent differing cultural views. One episode was eliminated in this phase. Based on responses obtained from both cultural groups, it was felt that the incident did not depict a true cultural conflict or misunderstanding.
Phase 5: The completed intercultural sensitizer comprising 24 episodes was mailed to a new sample of 200 (100 American and 100 Japanese) business professionals within the United States. In order to empirically validate cultural differences, a statistical analysis was conducted. The chi-square statistic was calculated for each item to determine whether there were differences in the way Americans and Japanese responded to a given situation. For Japanese respondents, age and length of stay in the U.S. were used as demographic variables to determine whether they had any bearing on their responses.

Conclusions

This research found that while there are cultural differences between Americans and Japanese, they also share some similarities in cultural perspectives.

Nine episodes revealed statistically significant differences in the way the two groups responded. While there is no single theme underlying the episodes with significant chi-square values, several cultural concepts and themes surfaced. Among the differences were such cultural issues as maintaining 'face' and harmony, family versus company obligations and priorities, communication breakdowns due to linguistic problems, ambiguity in speech and dealings, differing norms and codes of business conduct, as
well as differing views on the legalistic nature of business negotiations. These differences in values, belief structures, and perceptual systems led to miscommunication and misunderstandings.

Age and length of stay in the U.S. did not have any substantial bearing on the responses. This may have been due to the fact that the majority of Japanese respondents had lived in the U.S. for over two years. The response rate of Japanese with fewer than two years of stay in the country was fairly low. This factor may have also impacted the second variable, namely age of Japanese respondents, as acclimatization to another culture may negate differences revealed by age.

Thus, it can be concluded that there are areas where cultural differences can lead to misunderstandings in the workplace. However, there are also areas in which Americans and Japanese share common cultural assumptions. Also, while differences in cultural perspectives can be stumbling blocks in productive business, perceptions of cultural differences as well as stereotypical conceptions can equally interfere with effective interaction. Previous studies have indicated that often values are shared universally but are conveyed differently by cultures. Schwartz's (1990) research on value orientation, for instance, concluded that individualistic and collectivistic values are not
necessarily mutually exclusive; they can coexist. Any intercultural sensitizer should, therefore, focus on both cultural differences and similarities in order to recognize and minimize cultural biases.

Implications for Corporate Training

This research has numerous implications for cross-cultural corporate training. The study delineated how differences in cultural perspectives may create cultural minefields in a business environment. What seems logical and important to a person from one culture may seem irrational and unimportant to another. The use of the intercultural sensitizer for cross-cultural training can provide business professionals with a framework for understanding and communicating with people from other cultures, and ensure that they are not too parochial or insular in their views and beliefs. By recognizing cultural differences, it can minimize the negative effects of an ethnocentric worldview.

The intercultural sensitizer can also be used by companies to prepare employees for expatriate assignments in Japan. It can introduce them to broad cultural themes and assist individuals in analyzing intercultural situations from different perspectives.

In addition, cross-cultural training can help
organizations identify the cultural biases of their employees to better understand them in terms of where they're coming from or how they interact among themselves. In doing so, they are able to find more effective ways to motivate their staff.

For optimal training success, trainers should also take into account the fact that learners have different backgrounds and varying degrees of cross-cultural experiences. They should focus on the process of learning. Assumptions about how people learn, and how they use what they learn, vary from culture to culture. In addition, subcultures exist within a culture so that people of the same culture may not necessarily react the same way to a situation. Nor should they be made to. Trainers must emphasize that situations depicted in any intercultural sensitizer are specific to a particular situation and for the individuals involved. The aim of ICS training is not to replicate the responses or provide a list of cultural taboos, but to increase the trainee's understanding of cultural patterns that are different from his or her own. The intercultural sensitizer can be incorporated with other training activities such as group discussions and role plays, and used as a ready reckoner to convey major cultural themes and illustrate problems and misunderstandings that can arise in any cross-cultural interaction. In doing so,
it can help business professionals avoid the cultural landmines that exist in almost every cross-cultural environment.

Implications for Higher Education

It becomes apparent that cross-cultural training is imperative for students who will work and live in a world where opportunities transcend national boundaries. Since the role of higher education is undoubtedly critical to the spread of cultural literacy, the study has salient implications for higher and continuing education.

Cultural training can be proactive instead of reactive if formal education is geared toward cross-cultural teaching and encounters. Also, as comparatively homogeneous student bodies become more culturally diverse, schools should consider intercultural training as an essential component of their programs to prepare students from an international perspective. Faculty and curricula should be internationalized to equip students with the ability to think and work across cultures. One way to globalize the curriculum could be to overlay core courses with multicultural courses designed to expose students to different ways of thinking. Certain fields of specialization already have an international component in them. By their very name, courses such as international
finance, international marketing, or international relations, suggest that students majoring in these fields will operate in an intercultural environment. These courses should go beyond traditionally structured lectures to include a training component. The use of a culture-general intercultural sensitizer, for instance, could expose students to different cultural dimensions and teach them to analyze situations from varying perspectives, which may ultimately lead to the development of a global mindset.

An intercultural sensitizer, with incidents depicting intercultural encounters in an educational setting, can be used in teacher training programs. This would enable teachers to transform their thinking from a monocultural perspective to a more multicultural one.

Finally, universities can develop consortia for international education and activities. They can also offer foreign internships, and provide faculty and student cultural exchange programs. These forms of experiential learning can teach adaptation skills for living in, and interacting with, foreign cultures, and go a long way in better managing international and domestic diversity.

Recommendations

Based on this study, the following suggestions and recommendations for further research are presented:
(1) A future research should validate the intercultural sensitizer of this study with a larger sample size to make the results more generalizable.

(2) A sample of Japanese business professionals living in Japan should be used to determine whether more differences are identified. Also, a comparative study should be undertaken that compares cultural perspectives of Japanese employees in Japan with those working overseas. This would determine the extent and impact of an international background on cultural assumptions.

(3) As an extension of the above recommendation, this intercultural sensitizer should be translated into Japanese, and back-translated into English. Japanese respondents should be given the Japanese translated version. This could, perhaps, elicit greater response and would also determine if language comprehension and contextual meanings have any bearing on the choice of responses.

(4) Since cultures experience continual change, a future study should validate these episodes and modify and/or update them.

(5) Since some attributions in this intercultural sensitizer were not chosen by a majority of individuals from either culture group, a future study could validate the attributions instead of the final episodes. This could be done by presenting a number of attributions to samples of
respondents from both cultures to determine which of the attributions are most preferred by each group. These attributions can then be used in the final episodes.

(6) To optimize the content validation of the episodes, future studies should utilize more than one bicultural expert. A panel of experts should be chosen from both cultures to better identify cultural nuances and differences, and classify differing cultural attributions.

(7) A future study could be done to determine whether this intercultural sensitizer is more effective when used as a self-directed learning device, or when it is used in a group format along with discussions.

(8) Finally, research should be undertaken that compares training with the culture-specific intercultural sensitizer, with training utilizing other activities or approaches.
APPENDIX A: INTERCULTURAL SENSITIZER SAMPLE
A Manager's Dilemma

Ned Schwartz, the manager of a large factory operation in Canada, had been transferred to an operation of the same size in a Central American branch, as its production had always been low. Ned had a reputation of getting things done, but from the start Ned had a hard time. Government regulations made procuring needed materials difficult. Communication from his site to headquarters was slow and often garbled. Even Ned's personal work habits had to be changed. He was used to working late and inspecting the plant after most of the workers had gone home, but strict military rule imposed curfew hours over such installations as Ned's. In his own country there were organizations to protest such unreasonable restrictions, but superiors here said there was nothing one could do. Ned became increasingly depressed and ineffective. He finally asked to be sent back to his original operation.

What can help explain Ned's situation?

1. The job was not really appropriate for Ned since the difficulties were too great.

2. Ned found himself in a situation where he had relatively little control over matters.

3. Operations in Third World countries are impossible to bring to maximization given the resources available.

4. Ned did not have the proper local support. If he had been nicer to local authorities and workers, they would have offered him more cooperation.

Rationales:

1. Ned had already proved that he could handle a big factory, that is why they sent him in the first place. This is an unsatisfactory answer. Please choose again.

2. This is the best answer. Ned was coming from a culture where he had much control over his own life and also the lives of many others. He was placed in a situation where there was relatively little personal control, and he simply did not know how to handle this.

3. Although operations in Third World countries often have
limited resources, they can and have been brought to a reasonable level of production. There is a better response. Please choose again.

4. There was nothing to indicate that Ned did not have the support of the local people. Chances are that since this was a local plant, it had provided much needed work for many in the area and indeed did have local support. Please select a better response.

APPENDIX B

INFORMED CONSENT
I am a doctoral candidate at the University of North Texas, and for my doctoral dissertation research, I am developing an Intercultural Sensitizer training tool for Japanese and American business professionals. The purpose of this training tool is to understand differing cultural values, customs and norms, and thus aid in successful interaction between Americans and Japanese.

Please take a few minutes to read the attached episodes. Each of them depicts a cultural misunderstanding between American and Japanese business professionals. Although these incidents are based on real-life experiences, the names of all individuals have been changed. At the end of each episode is an open-ended question relating to the incident. I would like you to answer the question in your own words and also explain why you feel your response is the most plausible explanation. When doing so, please consult your own cultural background, even if you are familiar with the other culture.

I would like to assure you that your responses will be held in confidence by this researcher. Your name or the name of your company will not be used in this research in any way. Do not write your name on the questionnaire, but please indicate your nationality since that is a crucial reference of this research. If you have any questions, please feel free to call me at (817)382-2327.

Thank you very much. Your participation is greatly appreciated.

Sincerely,

Gopika Mehta
University of North Texas

This project has been reviewed by the University of North Texas committee for the protection of human subjects (565-3940).
COVER LETTER FOR PHASE 5 OF THE RESEARCH

Nationality: American __
Japanese __

If Japanese, please answer the following:
Age: Below 40 years ___
40 years or above ___
Length of stay in the U.S. ___

I am a doctoral candidate at the University of North Texas, and for my doctoral dissertation research, I am developing an Intercultural Sensitizer training tool for Japanese and American business professionals. The purpose of this training tool is to understand differing cultural values, customs and norms, and thus aid in successful interaction between Americans and Japanese.

Please take a few minutes to read the attached episodes. Each of them depicts a cultural misunderstanding between American and Japanese business professionals. Although these incidents are based on real-life experiences, the names of all individuals have been changed. A question is posed at the end of each episode, followed by responses that offer possible explanations. Please circle the response which you feel offers the most plausible explanation.

I would like to assure you that your responses will be held in confidence by this researcher. Your name or the name of your company will not be used in this research in any way. Do not write your name on the questionnaire, but please indicate your nationality and answer the demographic questions since that is a crucial reference of the research.

I'd appreciate it if you could mail me your responses at the earliest. Enclosed is a stamped, self-addressed envelope for the same. If you have any questions about this research, please call me at (817)382-2327.

Thank you. Your participation is greatly appreciated.

Sincerely,

Gopika Mehta
University of North Texas

This project has been reviewed by the University of North Texas committee for the protection of human subjects (565-3940).
APPENDIX C

EPISODES WITH ATTRIBUTIONS
1. Harry Jones is distribution manager of a Japanese company in the U.S. Late one Friday evening he got a call at home from his Japanese boss informing him that one of the company's air freight shipments had been damaged during loading. He asked Jones to follow up on the matter and fix the problem.

Since his wife and kids had the flu at the time, Jones called the crate boarding company from home to determine how the problem occurred and gave instructions as to what had to be done. He then called his boss at the office to tell him everything had been taken care of, and that if there were any further problems, to call him back.

The next day, Saturday, he came to the office to catch up on some work. His boss was there too, but when Jones brought up the subject of the air freight shipment, the Japanese seemed annoyed and upset.

How would you explain the Japanese's reaction?

1. He was upset that the problem had occurred in the first place and felt that Jones should have prevented it.

2. He felt that Jones had mismanaged the corrective action. Jones should have called a subordinate to supervise the work of the crate repair company.

3. He felt that Jones should have come to the office right away and personally tackled the problem.

4. He expected Jones to have provided him with a detailed written report.
Jerry Smith was conducting an accounting workshop for several company executives. Most of the executives participating in the workshop were American, while a few were Japanese. To make his lecture more interesting and participative, Brown began quizzing the participants, saying that if anyone answered a question correctly, he would give them a dollar. Everyone participated and each time someone came up with the right answer, Brown would take out a dollar from his pocket and place it in front of the person. By the end of the lecture, everyone had won a couple of dollars.

As the lecture ended and everyone got up to leave, the Americans picked up the money they had won and put it in their pockets. However, the Japanese executives who had also won two or three dollars each, simply got up and left the room, leaving the money on the table.

Why did the Japanese not take the money like everyone else?

1. The small rewards were not considered significant and further could not be rationalized as having been earned.

2. The money was considered insulting and demeaning.

3. The Japanese were uncertain how taking the money would be interpreted.

4. They thought the cash had to be returned at the conclusion of the class, since they had not been told it was theirs to keep.
Bill Barnes works for an American company that has a tie-up with a Japanese firm. The company owns a piece of land in Tokyo which the city government had acquired in order to build on it. In addition, there was also some heavy machinery on the land which government officials asked the company to move, saying they would provide monetary compensation.

Barnes' team of American executives came up with an estimate of $5 million. Although the figures were not inflated, there was a possibility that it would not cost that much. The Americans reasoned that any money left over could be used for other purposes, such as additional dividends to shareholders.

The Japanese executives, however, refused to go ahead with the estimate saying that it would be a disgrace if government officials found out that they had been overcharged.

What was the underlying conflict?

1. The Japanese were using a negotiating ploy to realize a lower price.

2. The Japanese believed that once a budget was established they should stay within that budget. Otherwise it would be perceived as poor management and planning.

3. The Japanese did not like the idea of taking money from the Japanese government and giving it to American stockholders. The conflict was both the overcharge and the ownership of the additional money.

4. The Japanese were concerned of the resulting loss of face if government officials discovered they had been overcharged.
4. While reviewing sales accounts, Bill Brown, general manager of a Japanese subsidiary in the U.S., detected a billing error in the company records. He discovered that for several months, one of their customers had been erroneously billed the wrong price. It was a gross undercharge which amounted to $300,000 worth of back bills. Brown quickly brought this to the attention of Shuji Tanaka, the Japanese vice president responsible for customer service. Tanaka, however, was unwilling to collect the back payments, stating that admitting their mistake would make the customer angry. Brown could not understand the reluctance on the part of the Japanese to collect the money, especially since it was a sizeable amount.

Why was Tanaka so reluctant to collect back payment from the customer?

1. Tanaka felt that mistakes caused by the company are not the responsibility of the customer. It would have been rude to go back and ask the customer to compensate them for Tanaka's error.

2. Tanaka did not wish to admit a mistake was made as it might reflect on him personally.

3. There was a concern for loss of face for making such mistakes in the first place, and for the negative impact on future business.

4. Admitting the mistake to the customer would have resulted in a loss of status for Tanaka.
5. Because of poor sales, the U.S. subsidiary of a Japanese manufacturing company had incurred considerable debt in Tokyo. Within two years, however, sales picked up and the company began showing a considerable profit. At a board meeting called to review the financial situation, senior American executives in the U.S. office suggested that since the company was showing a profit, it should reinvest some money in another area, while slowly repaying the debt. However, the Tokyo office disagreed, firmly stating that the company must repay all of its debt, staying lean until that time, and then reinvest. The meeting ended in disagreement.

What was the underlying reason for the disagreement between the American and Japanese management?

1. The Americans were perceived as risk takers and the Japanese were afraid the company would lose money again.

2. The Japanese believe that being in debt is bad; therefore it should be paid off before branching out.

3. The Americans were unable to understand the Japanese's need to regain status lost by the Japanese executives during the time when their company was not profitable.

4. The Japanese placed part of the blame for lost profits on the American subsidiary's poor management and were, therefore, hesitant to reinvest.
6. Bill Blass is senior manager of distribution for a Japanese firm in the U.S. and has been with the company for three years. His wife, too, is a business professional who works in another state where she lives with their children. In effect, Blass commutes to work, visiting his family once every two weeks.

One day, his Japanese boss, Mr Takashi Ishiguro, informed him that the company had selected Blass to serve on a project in Tokyo. The deputation would be for a year and there would be monetary benefits attached to it. He was told that his wife and children could also accompany him.

Blass was pleased about the position and said he would consider it. A few days later, however, Blass told his boss that he was unable to accept the transfer, mentioning that his wife would have to quit her job and the kids were at a crucial period in their school years. Ishiguro said nothing but was bewildered by Blass' decision to refuse the offer.

What was the cause of Mr. Ishiguro's confusion?

1. Ishiguro was confused about Blass' explanation that his kids were "at a crucial period in their school years," since all schooling, regardless of the grade level, is considered important.

2. The Japanese failed to understand how Blass could take into consideration his wife's opinion in this matter. Japanese culture holds that the man is the head of the family and the wife should obey and follow the husband's wishes.

3. Ishiguro believed it was an honor to have been selected for the position and cannot comprehend why Blass would turn it down, especially since there were considerable monetary benefits attached to the transfer.

4. Ishiguro expected Blass to put the company's rather than the family's needs as the first priority.
Hideo Suzuki works for a manufacturing company in the U.S. Among the company's potential customers is a Japanese firm in America, which showed an interest in buying one of its products. Suzuki's company drew up a contract and since the customer company was predominantly Japanese, Suzuki's boss, an American, asked Suzuki to translate the contract in Japanese and have the customer sign it.

Suzuki pointed out that their own company had not signed the contract and suggested they do so. His boss replied that since the contract was contingent on the customer's approval, the customer should sign it first. Suzuki seemed uncomfortable but left the office without any further comment. Later, he told a colleague that he was embarrassed and reluctant to see the Japanese customer.

What was the cause of Suzuki's embarrassment?

1. The Japanese would have wanted signed assurance that the U.S. company would stand by the agreement and not make changes after the Japanese had signed it.
2. Suzuki felt his boss was not comfortable enough with the contract (and the translation) to put his name on it.
3. Suzuki felt it showed a lack of trust on the part of his company.
4. Suzuki felt that the contract should be signed as an assurance to the potential buyer that it was already accepted by the seller.
Following a week of meetings on long-range strategic planning proposals, a Japanese company in the U.S. held an informal party after work at a local hotel. Roy Keene, a vice president who attended the talks, was pleasantly surprised to find his Japanese colleagues extremely congenial and very different from the serious demeanor exhibited during the meetings.

As he mingled with his colleagues, he soon struck up a conversation with Kenichi Kuomo, another vice president who had chaired the meetings. In the course of the conversation, Keene brought up the subject of the company proposals. He told Kuomo that following the meetings, he had come up with another idea and wanted to run it by him. Kuomo appeared uncomfortable, excused himself suddenly, and avoided Keene for the rest of the evening.

What had upset Mr. Kuomo?

1. He did not like Keene's attitude.

2. He did not approve of Keene mixing business and pleasure. The party was meant for relaxation and celebration and not to discuss work.

3. Keene was using too informal a manner when discussing company work.

4. A consensus had to be reached for all decisions and this could not be done at the party.
9. An American telecommunications company with operations in an Asian country, contracted a Japanese firm in that country for the installation of cables. The two companies had done business together for some years now. Eight months into the current contract, there was a local economic crisis which considerably raised the cost of the project. The Japanese explained the situation to the Americans, stating that the installation costs may exceed the original estimate. The Americans were sympathetic but said that although the situation was unfortunate, they could not modify the original contract.

The Japanese finished the job on schedule and the Americans were pleased with the work. However, when they contacted the same firm again for another project, the Japanese declined stating a previous relationship with the company.

What is your analysis of the situation?

1. A contract is a contract and the cost of the unforeseen situation, although unfortunate, must be borne by the company executing the work.

2. The Japanese made an unreasonable demand by asking the American company to bear the rising costs.

3. The Americans should have been more flexible during hard times.

4. The American company should have shared the burden of the excess cost since it is difficult to keep a good business relationship without mutual understanding.
10.

Peter Finch, a mid-level manager of an oil company in the U.S. was offered a four-year overseas assignment in Japan. Finch was pleased about the transfer. There were considerable financial benefits with the move and Finch and his family, who had never lived abroad, were excited about staying in a new country.

The couple settled into their apartment in Tokyo, and at first they liked the new environment. But within a few months, the atmosphere seemed to change. Finch's wife complained of being alone all day and of not having any social interaction. She was also upset that her husband's job kept him late at work and that she was never invited to any of the company functions. Finch too became frustrated and short-tempered. He began slacking off at work and asked for a transfer back to the U.S. even if it meant returning at a lower salary.

What would explain the above difficulties?

1. Working long hours is normal in Japan and the Finches should have taken this into consideration before making the move.

2. The Finches were not warned of the different business culture in Japan, and nothing was done to help them adjust to business and social life there.

3. The Finches did not have the right temperament to work in a foreign culture.

4. The Finches should have expected these difficulties and found other ways to make their lives more enjoyable.
Yoshi Hamada, director of materials control of a large company in Japan, was transferred to the U.S. subsidiary for three years. He had been in the U.S. just a couple of weeks when a delegation from Tokyo was due to arrive in the U.S. Hamada was in charge of the group and his secretary, Jill Jones, an American, had made all the necessary hotel and transport arrangements. She also had a detailed itinerary of the group.

At about 4:30 Monday afternoon, the team arrived at the U.S. office and headed into the conference room. Thirty minutes into the meeting, Hamada came out of the room to inquire with Jones why she had not served tea and coffee. Jones looked confused and said she did not know what he was talking about. Hamada seemed upset at the reply, and then got annoyed when he realized that she was preparing to leave for the day.

What would you tell Hamada on how to handle a situation like this in the future?

1. Hamada must be more specific about what is required of a secretary. He assumed she knew the Japanese culture.

2. Hamada should be advised on the American business culture, and the fact that secretarial duties do not include serving tea or coffee.

3. He should make sure his secretary understands his expectations in advance and next time plan accordingly.

4. He must inform Jones of her duties.
Every Friday evening, the marketing and sales personnel of a Japanese company in the U.S. have a two-hour staff meeting. Items on the meeting agenda are turned in to the administrative assistant the evening before.

One particular Friday, the meeting ended earlier than usual. Bill Thompson, a marketing manager, turned to his Japanese boss Yosei Yamamoto, who was chairing the meeting, and said that since there was some time left in their meeting, he would like to discuss a problem that had cropped up that morning with a supplier. He explained how the problem had been growing over time and suggested they replace the supplier.

Thompson explained that since everyone was already present, it might be a good time to ask the others for their views on the subject. Yamamoto replied that they would include it in next week's agenda, and brought the meeting to a close without any further discussion on the topic.

How would you explain Yamamoto's reaction?

1. Yamamoto was concerned the discussion might take longer than the time left in the meeting.

2. Yamamoto did not approve of Thompson making last-minute changes to the planned agenda.

3. Yamamoto wanted to study the problem and reach a consensus decision or policy stand.

4. Thompson should have asked for advice instead of making a suggestion.
Bill Brown, an experienced business professional, was hired as senior executive of a Japanese-owned company in the U.S. The vice president and some senior managers of the firm were Japanese. Brown had worked in the industry a long time, and although this was his first job in a Japanese company, he liked the Japanese consensus style of business.

At the first board meeting of senior managers, the group discussed company strategy proposals. As the meeting ended, the vice president and the Japanese managers continued discussing amongst themselves in Japanese. Knowing a smattering of Japanese, and realizing that they were more comfortable speaking their own language, Brown jumped into the conversation. The Japanese seemed taken aback at first, but complimented him on his use of the language. However, they reverted back to speaking English and didn’t speak Japanese again in his presence.

How can you explain the situation?

1. Brown’s intrusion into the Japanese conversation was perceived by the Japanese as an intrusion into a private conversation, much as if Brown had walked into one of the Japanese managers’ offices and interrupted a private conversation.

2. The Japanese did not want Brown to hear or know what they were talking about.

3. The Japanese did not think Brown would be able to carry on an extensive conversation with his limited language skills.

4. The Japanese became aware they were excluding him and making it difficult for him to participate.
14. Several senior American and Japanese executives were present at a meeting to discuss ways of reducing the company's operating costs. Barry Hinkle, an American vice president of production, began the meeting by discussing the current budgetary issues and suggesting cuts in program areas to tackle the deficit problem. In his presentation, he used graphs and charts to further substantiate his statements.

As he spoke, some of the Japanese managers began whispering among themselves and having side conversations in Japanese. Hinkle maintained his composure but was offended by the interruptions.

How would you explain the situation to Hinkle?

1. The Japanese were trying to reach a consensus decision on the ideas being presented.

2. The Japanese were making sure they understood what was being presented.

3. The Japanese were not in complete agreement with Hinkle's ideas and were discussing it amongst themselves.

4. Since it was meant to be a meeting to discuss ways to reduce costs, the Japanese thought it was too one-sided and wanted to discuss the issues. They felt Hinkle was not giving them a chance to agree on the situation or its possible solutions.
15. Bob Ryan, representing an American multinational firm in the U.S., was visiting Osaka, Japan, to close an important deal with a Japanese firm. He scheduled a four-day stay in the city, after which he was headed for the Philippines. On his arrival in Osaka, he was well received by his Japanese counterpart. The following day, he had a meeting with the Japanese management and found them very gracious. Tea was served and preliminaries exchanged. However, Ryan had problems discussing the contract. It seemed that every time he brought up the topic, the Japanese were more interested in finding out more about himself, his position in the company, etc.

By the third day, Ryan began to get impatient and worried since he was scheduled to leave the next day and the deal had not been discussed.

What's your analysis of the situation?

1. The Japanese were trying to determine Ryan's status within the company so that any decisions they might make would be binding on the company.

2. The Japanese had either already decided to accept the contract or did not know if Ryan was the correct person to be speaking with since they did not have any previous experience dealing with him personally.

3. The Japanese like to know the people they do business with. Ryan should allow time to develop personal relationships.

4. Since the deal was already at the point of closing, the Japanese were unsure of Ryan's position in the company with regard to his authority to close the deal.
16. Phil Gates, the comptroller of a Japanese firm's American subsidiary, was scheduled to give a speech on taxation to a group of senior managers. The lecture was held late afternoon and barely had Gates begun his speech and launched into his topic when he noticed one of the Japanese managers had closed his eyes and appeared to be asleep.

Gates stumbled through his presentation, but was horrified at the incident.

How would you explain the situation?

1. The lecture topic was not germane to the Japanese's daily job and he was probably attending only as a matter of protocol.

2. The Japanese was merely focusing on the ideas being presented.

3. The meeting should have been held in the morning rather than late afternoon when one is more likely to be sleepy.

4. The lecture was probably boring. Gates should have changed the pace of the lecture or its format into a more interesting one with anecdotes, questions-and-answers, etc.
17.
A small group of senior American and Japanese managers were in a meeting to discuss the expansion of the company cafeteria. When no decision was reached even after two hours of weighing the pros and cons, an American suggested a vote be taken. Five of the eight executives present voted in favor of it. Since this was a majority vote, another American manager asked when the expansion would begin.

His Japanese boss looked puzzled and said that there had been no agreement on the matter.

What's the most plausible explanation that describes what occurred?

1. The Japanese were more concerned about gaining a consensus on if there should be an expansion rather than when.

2. Consensus is defined differently by Americans. A majority vote in favor of the expansion meant that there would be an expansion.

3. Consensus management requires that more discussion be held until all are convinced that this is the correct decision.

4. To the Japanese boss, absence of consensus meant that no decision had been reached.
Larry Young, a marketing manager with several years of experience, had recently joined a Japanese company in the U.S. He was excited about the job and settled in well at first. But soon his enthusiasm began to wane. It seemed that each time he came up with an idea to initiate a marketing strategy, his Japanese boss would check his ideas with the Tokyo office. The approval from Tokyo was usually long in coming and Young became increasingly frustrated because the delay would often be costly. Young calculated that he lost a considerable percent of the market share due to these delays in approval.

How would you help Young view the situation?

1. His boss did not have the necessary authority and had to get permission from his superiors.

2. Young lacks persuasive skills and should be more aggressive. He should try to convince the Japanese manager to go ahead with the marketing strategies.

3. The Japanese office finds his ideas too risky.

4. The Japanese need to reach a consensus on all decisions which can take a long time.
Dan Smith, a management consultant of a petroleum company, was transferred to Osaka, Japan, for a two-year stay. His job was to help establish a joint venture with a Japanese firm in the petroleum industry. As planning sessions got underway, the two sides began negotiations over their respective roles in the tie-up. Before making each decision, however, Smith said he would have to check back with his company lawyers. The Japanese appeared uncomfortable, conversing amongst themselves in Japanese. Finally, one of them asked him if he detected a problem in their business relationship. Smith was surprised at the question, since he thought the dealings had been progressing smoothly.

How would you best explain this situation?

1. Since Smith was negotiating, he was expected to make the decisions himself.

2. For Smith, involving his company's legal department was a normal progression of events. The Japanese perception was that there was a fundamental lack of trust on Smith's part.

3. Smith should not have used the word 'lawyers,' since some Japanese think that consulting a lawyer is to find ways to write the contract in your favor.

4. The Japanese do not use lawyers in business, especially at this stage of the project.
A group of American and Japanese executives were sitting around a conference table in an informal meeting on total quality management practices. They began discussing ways to implement it in certain areas within the company. An American manager offered a suggestion; then a Japanese gingerly offered another. After about an hour of politely discussing alternatives, an American manager slapped his hand on the table and said, "Let's just look at the hard facts and not dwell on idealistic measures."

Tadeo Miyamoto, the Japanese vice president chairing the meeting, was shocked by the American's outburst and felt he would never understand the Americans.

What's the most plausible explanation that describes what happened?

1. The Japanese mistook the American's outburst as personal criticism of his management style.

2. The American was too impatient. The pros and cons of the issue had to be discussed and he was not prepared to do that.

3. Each group had a different idea about what would happen in an informal meeting. The Americans thought a decision would be made at the meeting; the Japanese were merely interested in putting ideas on the table.

4. For the Japanese, meetings are held to look into all aspects of a matter and it could take a long time to come to a conclusion.
21. James Campbell, product information manager of an American firm, was negotiating a sales deal with a Japanese customer in the U.S. When his Japanese counterpart showed an interest in the product, Campbell quoted a wholesale price and asked him if he would be interested. The Japanese nodded, saying it was a good price. Campbell took his reply to mean the Japanese company was interested in purchasing their product.

Back at the office, Campbell told his boss that the meeting went off well and they may be able to close the deal soon. However, the following week, he was surprised to discover that the Japanese had no interest in buying the product. Campbell couldn't understand what had gone wrong.

What is your analysis of the situation?

1. The Japanese were reluctant to appear negative in any way.

2. Campbell should have followed up on the sales negotiation in further detail.

3. Campbell should have got a written commitment from the customer. Only written commitments are considered valid.

4. Campbell had been too quick to reach a decision. Japanese decision-making is a lengthy, time-consuming process.
Every year, a Japanese petroleum company in the U.S. throws a New Year's party in which its customers, primarily other American companies, are invited. The Japanese company's U.S. subsidiary is small, comprising 6 or 7 executives, all of whom are Japanese. At one such party, Jim Thompson, an executive with an American firm, got into a conversation about current auditing practices with the Japanese finance director and his assistant, a young Japanese executive. Throughout the discussion, the assistant stood by without saying a word. However, as soon as his boss left, he began giving his own detailed opinion on the subject.

When Thompson, impressed at the young man's critical reasoning, asked him why he had not spoken earlier, the assistant remained silent.

Why had the assistant not spoken during the discussions?

1. The assistant's views probably conflicted with his superiors' and therefore he did not want to air them.

2. The assistant was being respectful of a more senior person.

3. The assistant had not been asked to speak or give an opinion. If they had wanted him to comment, they would have asked him.

4. The assistant did not know how his opinion would be received.
23. Tim Johnson was senior manager of a U.S. firm that had plans to begin operations in Japan. While in Tokyo, Johnson had several meetings with the vice president of a Japanese company, Yosei Kashima, and his Japanese assistant.

The meetings were fruitful and there seemed a possibility of a joint venture between the two companies. As the negotiations ended and Johnson prepared to leave for the U.S., he stopped by the office to thank the two men and gave each of them a small gift, a Native American statue, as a token of appreciation.

The Japanese thanked him, but seemed embarrassed by the gifts.

What had Johnson done wrong?

1. The gifts were perceived as a bribe by the Japanese.

2. Johnson should not have given gifts of equal value to the Japanese.

3. Johnson’s choice of a Native American statue was a wrong one.

4. Johnson should have given gifts of higher value to the Japanese.
24.

When Akio Yamaguchi, a Japanese manager in Tokyo, was transferred to the company's subsidiary in the U.S., he was excited about the relocation. He had taken extensive English language courses and was confident about his ability to speak and conduct business in English.

In the U.S., Yamaguchi settled in well at first. He liked the country and found the people friendly. However, at work, Yamaguchi found that while he thought his English was good, he very often failed to understand what his boss was talking about or referring to. He gradually became withdrawn and felt he didn't fit into the American system.

What was the cause of Yamaguchi's inability to comprehend his boss?

1. Yamaguchi failed to understand idiomatic English and/or American jargon.

2. Yamaguchi's English was not good enough. He had not yet mastered the language and needed further coaching in the English language.

3. Since American and Japanese business styles are different, Yamaguchi failed to understand his boss's instructions.

4. Yamaguchi had trouble understanding his boss' accent.
APPENDIX D

ELIMINATED EPISODE
Mr Akio Kurosawa, senior vice president of a Japanese manufacturing company, had recently been transferred from the Tokyo office to its American subsidiary. When sales of one of the company's products showed a decline for the second quarter in a row, Kurosawa called a meeting of marketing and sales personnel, all of whom were American, to inform them that the company was losing money. He admonished the executives for their poor performance and called on them to redouble their effort and performance.

In the ensuing weeks, however, he was puzzled and shocked to notice that the morale of the office staff seemed to have dropped. He also discovered that a senior marketing manager had been job hunting, and couldn't understand what had happened.

How would you explain the situation to Mr Kurosawa?

Cult.
Attrib.

A 1. Kurosawa's admonition to his American executives was seen as personal criticism for circumstances they may have felt were beyond their control.

J 2. Kurosawa should have had a discussion with his employees instead of a one-way conversation.

J 3. Kurosawa should have reached a consensus on the matter.

A 4. The Americans perceived Kurosawa’s behavior as threatening, although Kurosawa’s intention was nothing more than a "locker-room pep talk."
APPENDIX E

RESPONSES AND CULTURAL ATTRIBUTION
Harry Jones is distribution manager of a Japanese company in the U.S. Late one Friday evening he got a call at home from his Japanese boss informing him that one of the company's air freight shipments had been damaged during loading. He asked Jones to follow up on the matter and fix the problem.

Since his wife and kids had the flu at the time, Jones called the crate boarding company from home to determine how the problem occurred and gave instructions as to what had to be done. He then called his boss at the office to tell him everything had been taken care of, and that if there were any further problems, to call him back.

The next day, Saturday, he came to the office to catch up on some work. His boss was there too, but when Jones brought up the subject of the air freight shipment, the Japanese seemed annoyed and upset.

How would you explain the Japanese's reaction?


12 3 A 1. He was upset that the problem had occurred in the first place and felt that Jones should have prevented it.

3 8 A 2. He felt that Jones had mismanaged the corrective action. Jones should have called a subordinate to supervise the work of the crate repair company.

24 27 J 3. He felt that Jones should have come to the office right away and personally tackled the problem.

4 0 A 4. He expected Jones to have provided him with a detailed written report.
2. Jerry Smith was conducting an accounting workshop for several company executives. Most of the executives participating in the workshop were American, while a few were Japanese. To make his lecture more interesting and participative, Brown began quizzing the participants, saying that if anyone answered a question correctly, he would give them a dollar. Everyone participated and each time someone came up with the right answer, Brown would take out a dollar from his pocket and place it in front of the person. By the end of the lecture, everyone had won a couple of dollars.

As the lecture ended and everyone got up to leave, the Americans picked up the money they had won and put it in their pockets. However, the Japanese executives who had also won two or three dollars each, simply got up and left the room, leaving the money on the table.

Why did the Japanese not take the money like everyone else?


6 3 A 1. The small rewards were not considered significant and further could not be rationalized as having been earned.

8 7 J 2. The money was considered insulting and demeaning.

14 15 A 3. The Japanese were uncertain how taking the money would be interpreted.

15 13 A 4. They thought the cash had to be returned at the conclusion of the class, since they had not been told it was theirs to keep.
3. Bill Barnes works for an American company that has a tie-up with a Japanese firm. The company owns a piece of land in Tokyo which the city government had acquired in order to build on it. In addition, there was also some heavy machinery on the land which government officials asked the company to move, saying they would provide monetary compensation.

Barnes' team of American executives came up with an estimate of $5 million. Although the figures were not inflated, there was a possibility that it would not cost that much. The Americans reasoned that any money left over could be used for other purposes, such as additional dividends to shareholders.

The Japanese executives, however, refused to go ahead with the estimate saying that it would be a disgrace if government officials found out that they had been overcharged.

What was the underlying conflict?


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9 4 A 2. The Japanese believed that once a budget was established they should stay within that budget. Otherwise it would be perceived as poor management and planning.

16 9 A 3. The Japanese did not like the idea of taking money from the Japanese government and giving it to American stockholders. The conflict was both the overcharge and the ownership of the additional money.

18 25 J 4. The Japanese were concerned of the resulting loss of face if government officials discovered they had been overcharged.
4. While reviewing sales accounts, Bill Brown, general manager of a Japanese subsidiary in the U.S., detected a billing error in the company records. He discovered that for several months, one of their customers had been erroneously billed the wrong price. It was a gross undercharge which amounted to $300,000 worth of back bills.

Brown quickly brought this to the attention of Shuji Tanaka, the Japanese vice president responsible for customer service. Tanaka, however, was unwilling to collect the back payments, stating that admitting their mistake would make the customer angry. Brown could not understand the reluctance on the part of the Japanese to collect the money, especially since it was a sizeable amount.

Why was Tanaka so reluctant to collect back payment from the customer?


20 11 A 1. Tanaka felt that mistakes caused by the company are not the responsibility of the customer. It would have been rude to go back and ask the customer to compensate them for Tanaka's error.

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17 24 J 3. There was a concern for loss of face for making such mistakes in the first place, and for the negative impact on future business.

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Because of poor sales, the U.S. subsidiary of a Japanese manufacturing company had incurred considerable debt in Tokyo. Within two years, however, sales picked up and the company began showing a considerable profit. At a board meeting called to review the financial situation, senior American executives in the U.S. office suggested that since the company was showing a profit, it should reinvest some money in another area, while slowly repaying the debt. However, the Tokyo office disagreed, firmly stating that the company must repay all of its debt, staying lean until that time, and then reinvest. The meeting ended in disagreement.

What was the underlying reason for the disagreement between the American and Japanese management?


4 10 A 1. The Americans were perceived as risk takers and the Japanese were afraid the company would lose money again.

20 10 J 2. The Japanese believe that being in debt is bad; therefore it should be paid off before branching out.

11 3 A 3. The Americans were unable to understand the Japanese's need to regain status lost by the Japanese executives during the time when their company was not profitable.

8 15 A 4. The Japanese placed part of the blame for lost profits on the American subsidiary's poor management and were, therefore, hesitant to reinvest.
6. Bill Blass is senior manager of distribution for a Japanese firm in the U.S. and has been with the company for three years. His wife, too, is a business professional who works in another state where she lives with their children. In effect, Blass commutes to work, visiting his family once every two weeks.

One day, his Japanese boss, Mr Takashi Ishiguro, informed him that the company had selected Blass to serve on a project in Tokyo. The deputation would be for a year and there would be monetary benefits attached to it. He was told that his wife and children could also accompany him.

Blass was pleased about the position and said he would consider it. A few days later, however, Blass told his boss that he was unable to accept the transfer, mentioning that his wife would have to quit her job and the kids were at a crucial period in their school years. Ishiguro said nothing but was bewildered by Blass' decision to refuse the offer.

What was the cause of Mr. Ishiguro's confusion?


1 0 A 1. Ishiguro was confused about Blass' explanation that his kids were "at a crucial period in their school years," since all schooling, regardless of the grade level, is considered important.

20 1 A 2. The Japanese failed to understand how Blass could take into consideration his wife's opinion in this matter. Japanese culture holds that the man is the head of the family and the wife should obey and follow the husband's wishes.

13 16 A 3. Ishiguro believed it was an honor to have been selected for the position and cannot comprehend why Blass would turn it down, especially since there were considerable monetary benefits attached to the transfer.

9 21 J 4. Ishiguro expected Blass to put the company's rather than the family's needs as the first priority.
Hideo Suzuki works for a manufacturing company in the U.S. Among the company's potential customers is a Japanese firm in America, which showed an interest in buying one of its products. Suzuki's company drew up a contract and since the customer company was predominantly Japanese, Suzuki's boss, an American, asked Suzuki to translate the contract in Japanese and have the customer sign it.

Suzuki pointed out that their own company had not signed the contract and suggested they do so. His boss replied that since the contract was contingent on the customer's approval, the customer should sign it first. Suzuki seemed uncomfortable but left the office without any further comment. Later, he told a colleague that he was embarrassed and reluctant to see the Japanese customer.

What was the cause of Suzuki's embarrassment?


6 7 A 1. The Japanese would have wanted signed assurance that the U.S. company would stand by the agreement and not make changes after the Japanese had signed it.

3 1 A 2. Suzuki felt his boss was not comfortable enough with the contract (and the translation) to put his name on it.

13 18 J 3. Suzuki felt it showed a lack of trust on the part of his company.

21 12 A 4. Suzuki felt that the contract should be signed as an assurance to the potential buyer that it was already accepted by the seller.
Following a week of meetings on long-range strategic planning proposals, a Japanese company in the U.S. held an informal party after work at a local hotel. Roy Keene, a vice president who attended the talks, was pleasantly surprised to find his Japanese colleagues extremely congenial and very different from the serious demeanor exhibited during the meetings.

As he mingled with his colleagues, he soon struck up a conversation with Kenichi Kuomo, another vice president who had chaired the meetings. In the course of the conversation, Keene brought up the subject of the company proposals. He told Kuomo that following the meetings, he had come up with another idea and wanted to run it by him.

Kuomo appeared uncomfortable, excused himself suddenly, and avoided Keene for the rest of the evening.

What had upset Mr. Kuomo?


3 0 A 1. He did not like Keene's attitude.
20 20 A 2. He did not approve of Keene mixing business and pleasure. The party was meant for relaxation and celebration and not to discuss work.
12 20 A 3. Keene was using too informal a manner when discussing company work.
8 11 J 4. A consensus had to be reached for all decisions and this could not be done at the party.
9. An American telecommunications company with operations in an Asian country, contracted a Japanese firm in that country for the installation of cables. The two companies had done business together for some years now. Eight months into the current contract, there was a local economic crisis which considerably raised the cost of the project. The Japanese explained the situation to the Americans, stating that the installation costs may exceed the original estimate. The Americans were sympathetic but said that although the situation was unfortunate, they could not modify the original contract.

The Japanese finished the job on schedule and the Americans were pleased with the work. However, when they contacted the same firm again for another project, the Japanese declined stating a previous relationship with the company.

What is your analysis of the situation?


16 7 A 1. A contract is a contract and the cost of the unforeseen situation, although unfortunate, must be borne by the company executing the work.

2 0 A 2. The Japanese made an unreasonable demand by asking the American company to bear the rising costs.

4 14 J 3. The Americans should have been more flexible during hard times.

21 17 J 4. The American company should have shared the burden of the excess cost since it is difficult to keep a good business relationship without mutual understanding.
10. Peter Finch, a mid-level manager of an oil company in the U.S. was offered a four-year overseas assignment in Japan. Finch was pleased about the transfer. There were considerable financial benefits with the move and Finch and his family, who had never lived abroad, were excited about staying in a new country.

The couple settled into their apartment in Tokyo, and at first they liked the new environment. But within a few months, the atmosphere seemed to change. Finch's wife complained of being alone all day and of not having any social interaction. She was also upset that her husband's job kept him late at work and that she was never invited to any of the company functions. Finch too became frustrated and short-tempered. He began slacking off at work and asked for a transfer back to the U.S. even if it meant returning at a lower salary.

What would explain the above difficulties?


5 4 J 1. Working long hours is normal in Japan and the Finches should have taken this into consideration before making the move.

24 17 A 2. The Finches were not warned of the different business culture in Japan, and nothing was done to help them adjust to business and social life there.

1 0 J 3. The Finches did not have the right temperament to work in a foreign culture.

13 17 J 4. The Finches should have expected these difficulties and found other ways to make their lives more enjoyable.
Yoshi Hamada, director of materials control of a large company in Japan, was transferred to the U.S. subsidiary for three years. He had been in the U.S. just a couple of weeks when a delegation from Tokyo was due to arrive in the U.S. Hamada was in charge of the group and his secretary, Jill Jones, an American, had made all the necessary hotel and transport arrangements. She also had a detailed itinerary of the group.

At about 4:30 Monday afternoon, the team arrived at the U.S. office and headed into the conference room. Thirty minutes into the meeting, Hamada came out of the room to inquire with Jones why she had not served tea and coffee. Jones looked confused and said she did not know what he was talking about. Hamada seemed upset at the reply, and then got annoyed when he realized that she was preparing to leave for the day.

What would you tell Hamada on how to handle a situation like this in the future?


6 5 J 1. Hamada must be more specific about what is required of a secretary. He assumed she knew the Japanese culture.

5 8 A 2. Hamada should be advised on the American business culture, and the fact that secretarial duties do not include serving tea or coffee.

30 20 J 3. He should make sure his secretary understands his expectations in advance and next time plan accordingly.

2 5 J 4. He must inform Jones of her duties.
Every Friday evening, the marketing and sales personnel of a Japanese company in the U.S. have a two-hour staff meeting. Items on the meeting agenda are turned in to the administrative assistant the evening before.

One particular Friday, the meeting ended earlier than usual. Bill Thompson, a marketing manager, turned to his Japanese boss Yosei Yamamoto, who was chairing the meeting, and said that since there was some time left in their meeting, he would like to discuss a problem that had cropped up that morning with a supplier. He explained how the problem had been growing over time and suggested they replace the supplier.

Thompson explained that since everyone was already present, it might be a good time to ask the others for their views on the subject. Yamamoto replied that they would include it in next week's agenda, and brought the meeting to a close without any further discussion on the topic.

How would you explain Yamamoto's reaction?


4 8 A 1. Yamamoto was concerned the discussion might take longer than the time left in the meeting.

21 12 A 2. Yamamoto did not approve of Thompson making last-minute changes to the planned agenda.

14 13 J 3. Yamamoto wanted to study the problem and reach a consensus decision or policy stand.

4 5 A 4. Thompson should have asked for advice instead of making a suggestion.
Bill Brown, an experienced business professional, was hired as senior executive of a Japanese-owned company in the U.S. The vice president and some senior managers of the firm were Japanese. Brown had worked in the industry a long time, and although this was his first job in a Japanese company, he liked the Japanese consensus style of business.

At the first board meeting of senior managers, the group discussed company strategy proposals. As the meeting ended, the vice president and the Japanese managers continued discussing amongst themselves in Japanese. Knowing a smattering of Japanese, and realizing that they were more comfortable speaking their own language, Brown jumped into the conversation. The Japanese seemed taken aback at first, but complimented him on his use of the language. However, they reverted back to speaking English and didn't speak Japanese again in his presence.

How can you explain the situation?


10 1 A 1. Brown's intrusion into the Japanese conversation was perceived by the Japanese as an intrusion into a private conversation, much as if Brown had walked into one of the Japanese managers' offices and interrupted a private conversation.

3 2 A 2. The Japanese did not want Brown to hear or know what they were talking about.

6 12 A 3. The Japanese did not think Brown would be able to carry on an extensive conversation with his limited language skills.

24 23 J 4. The Japanese became aware they were excluding him and making it difficult for him to participate.
Several senior American and Japanese executives were present at a meeting to discuss ways of reducing the company's operating costs. Barry Hinkle, an American vice president of production, began the meeting by discussing the current budgetary issues and suggesting cuts in program areas to tackle the deficit problem. In his presentation, he used graphs and charts to further substantiate his statements.

As he spoke, some of the Japanese managers began whispering among themselves and having side conversations in Japanese. Hinkle maintained his composure but was offended by the interruptions.

How would you explain the situation to Hinkle?


14 0 A 1. The Japanese were trying to reach a consensus decision on the ideas being presented.

13 31 J 2. The Japanese were making sure they understood what was being presented.

7 3 A 3. The Japanese were not in complete agreement with Hinkle's ideas and were discussing it amongst themselves.

9 4 A 4. Since it was meant to be a meeting to discuss ways to reduce costs, the Japanese thought it was too one-sided and wanted to discuss the issues. They felt Hinkle was not giving them a chance to agree on the situation or its possible solutions.
Bob Ryan, representing an American multinational firm in the U.S., was visiting Osaka, Japan, to close an important deal with a Japanese firm. He scheduled a four-day stay in the city, after which he was headed for the Philippines. On his arrival in Osaka, he was well received by his Japanese counterpart. The following day, he had a meeting with the Japanese management and found them very gracious. Tea was served and preliminaries exchanged. However, Ryan had problems discussing the contract. It seemed that every time he brought up the topic, the Japanese were more interested in finding out more about himself, his position in the company, etc.

By the third day, Ryan began to get impatient and worried since he was scheduled to leave the next day and the deal had not been discussed.

What's your analysis of the situation?


1. The Japanese were trying to determine Ryan's status within the company so that any decisions they might make would be binding on the company.

2. The Japanese had either already decided to accept the contract or did not know if Ryan was the correct person to be speaking with since they did not have any previous experience dealing with him personally.

3. The Japanese like to know the people they do business with. Ryan should allow time to develop personal relationships.

4. Since the deal was already at the point of closing, the Japanese were unsure of Ryan's position in the company with regard to his authority to close the deal.
Phil Gates, the comptroller of a Japanese firm's American subsidiary, was scheduled to give a speech on taxation to a group of senior managers. The lecture was held late afternoon and barely had Gates begun his speech and launched into his topic when he noticed one of the Japanese managers had closed his eyes and appeared to be asleep.

Gates stumbled through his presentation, but was horrified at the incident.

How would you explain the situation?


14 18 A 1. The lecture topic was not germane to the Japanese's daily job and he was probably attending only as a matter of protocol.

8 6 J 2. The Japanese was merely focusing on the ideas being presented.

9 2 A 3. The meeting should have been held in the morning rather than late afternoon when one is more likely to be sleepy.

12 12 A 4. The lecture was probably boring. Gates should have changed the pace of the lecture or its format into a more interesting one with anecdotes, questions-and-answers, etc.
A small group of senior American and Japanese managers were in a meeting to discuss the expansion of the company cafeteria. When no decision was reached even after two hours of weighing the pros and cons, an American suggested a vote be taken. Five of the eight executives present voted in favor of it. Since this was a majority vote, another American manager asked when the expansion would begin.

His Japanese boss looked puzzled and said that there had been no agreement on the matter.

What's the most plausible explanation that describes what occurred?


5 9 A 1. The Japanese were more concerned about gaining a consensus on if there should be an expansion rather than when.

11 1 A 2. Consensus is defined differently by Americans. A majority vote in favor of the expansion meant that there would be an expansion.

8 17 J 3. Consensus management requires that more discussion be held until all are convinced that this is the correct decision.

19 11 J 4. To the Japanese boss, absence of consensus meant that no decision had been reached.
Larry Young, a marketing manager with several years of experience, had recently joined a Japanese company in the U.S. He was excited about the job and settled in well at first. But soon his enthusiasm began to wane. It seemed that each time he came up with an idea to initiate a marketing strategy, his Japanese boss would check his ideas with the Tokyo office. The approval from Tokyo was usually long in coming and Young became increasingly frustrated because the delay would often be costly. Young calculated that he lost a considerable percent of the market share due to these delays in approval.

How would you help Young view the situation?

1. His boss did not have the necessary authority and had to get permission from his superiors.
2. Young lacks persuasive skills and should be more aggressive. He should try to convince the Japanese manager to go ahead with the marketing strategies.
3. The Japanese office finds his ideas too risky.
4. The Japanese need to reach a consensus on all decisions which can take a long time.
19.

Dan Smith, a management consultant of a petroleum company, was transferred to Osaka, Japan, for a two-year stay. His job was to help establish a joint venture with a Japanese firm in the petroleum industry. As planning sessions got underway, the two sides began negotiations over their respective roles in the tie-up. Before making each decision, however, Smith said he would have to check back with his company lawyers. The Japanese appeared uncomfortable, conversing amongst themselves in Japanese. Finally, one of them asked him if he detected a problem in their business relationship. Smith was surprised at the question, since he thought the dealings had been progressing smoothly.

How would you best explain this situation?


6 2 A 1. Since Smith was negotiating, he was expected to make the decisions himself.

27 15 A 2. For Smith, involving his company's legal department was a normal progression of events. The Japanese perception was that there was a fundamental lack of trust on Smith's part.

6 4 J 3. Smith should not have used the word 'lawyers,' since some Japanese think that consulting a lawyer is to find ways to write the contract in your favor.

4 17 J 4. The Japanese do not use lawyers in business, especially at this stage of the project.
A group of American and Japanese executives were sitting around a conference table in an informal meeting on total quality management practices. They began discussing ways to implement it in certain areas within the company. An American manager offered a suggestion; then a Japanese gingerly offered another. After about an hour of politely discussing alternatives, an American manager slapped his hand on the table and said, "Let's just look at the hard facts and not dwell on idealistic measures."

Tadeo Miyamoto, the Japanese vice president chairing the meeting, was shocked by the American's outburst and felt he would never understand the Americans.

What's the most plausible explanation that describes what happened?


8 2 A 1. The Japanese mistook the American's outburst as personal criticism of his management style.

8 15 J 2. The American was too impatient. The pros and cons of the issue had to be discussed and he was not prepared to do that.

15 11 A 3. Each group had a different idea about what would happen in an informal meeting. The Americans thought a decision would be made at the meeting; the Japanese were merely interested in putting ideas on the table.

12 10 J 4. For the Japanese, meetings are held to look into all aspects of a matter and it could take a long time to come to a conclusion.
James Campbell, product information manager of an American firm, was negotiating a sales deal with a Japanese customer in the U.S. When his Japanese counterpart showed an interest in the product, Campbell quoted a wholesale price and asked him if he would be interested. The Japanese nodded, saying it was a good price. Campbell took his reply to mean the Japanese company was interested in purchasing their product.

Back at the office, Campbell told his boss that the meeting went off well and they may be able to close the deal soon. However, the following week, he was surprised to discover that the Japanese had no interest in buying the product. Campbell couldn't understand what had gone wrong.

What is your analysis of the situation?


8 13 J 1. The Japanese were reluctant to appear negative in any way.

19 17 A 2. Campbell should have followed up on the sales negotiation in further detail.

5 3 A 3. Campbell should have got a written commitment from the customer. Only written commitments are considered valid.

11 5 A 4. Campbell had been too quick to reach a decision. Japanese decision-making is a lengthy, time-consuming process.
22. Every year, a Japanese petroleum company in the U.S. throws a New Year's party in which its customers, primarily other American companies, are invited. The Japanese company's U.S. subsidiary is small, comprising 6 or 7 executives, all of whom are Japanese. At one such party, Jim Thompson, an executive with an American firm, got into a conversation about current auditing practices with the Japanese finance director and his assistant, a young Japanese executive. Throughout the discussion, the assistant stood by without saying a word. However, as soon as his boss left, he began giving his own detailed opinion on the subject.

When Thompson, impressed at the young man's critical reasoning, asked him why he had not spoken earlier, the assistant remained silent.

Why had the assistant not spoken during the discussions?


5 11 A 1. The assistant's views probably conflicted with his superiors' and therefore he did not want to air them.

26 19 J 2. The assistant was being respectful of a more senior person.

3 6 A 3. The assistant had not been asked to speak or give an opinion. If they had wanted him to comment, they would have asked him.

9 2 A 4. The assistant did not know how his opinion would be received.
Tim Johnson was senior manager of a U.S. firm that had plans to begin operations in Japan. While in Tokyo, Johnson had several meetings with the vice president of a Japanese company, Yosei Kashima, and his Japanese assistant. The meetings were fruitful and there seemed a possibility of a joint venture between the two companies. As the negotiations ended and Johnson prepared to leave for the U.S., he stopped by the office to thank the two men and gave each of them a small gift, a Native American statue, as a token of appreciation. The Japanese thanked him, but seemed embarrassed by the gifts.

What had Johnson done wrong?


11 9 A 1. The gifts were perceived as a bribe by the Japanese.

15 15 J 2. Johnson should not have given gifts of equal value to the Japanese.

13 4 A 3. Johnson's choice of a Native American statue was a wrong one.

4 8 A 4. Johnson should have given gifts of higher value to the Japanese.
When Akio Yamaguchi, a Japanese manager in Tokyo, was transferred to the company's subsidiary in the U.S., he was excited about the relocation. He had taken extensive English language courses and was confident about his ability to speak and conduct business in English.

In the U.S., Yamaguchi settled in well at first. He liked the country and found the people friendly. However, at work, Yamaguchi found that while he thought his English was good, he very often failed to understand what his boss was talking about or referring to. He gradually became withdrawn and felt he didn't fit into the American system.

What was the cause of Yamaguchi's inability to comprehend his boss?

1. Yamaguchi failed to understand idiomatic English and/or American jargon.

2. Yamaguchi's English was not good enough. He had not yet mastered the language and needed further coaching in the English language.

3. Since American and Japanese business styles are different, Yamaguchi failed to understand his boss's instructions.

4. Yamaguchi had trouble understanding his boss' accent.
APPENDIX F

RATIONALES FOR EPISODES
1. Harry Jones is distribution manager of a Japanese company in the U.S. Late one Friday evening he got a call at home from his Japanese boss informing him that one of the company's air freight shipments had been damaged during loading. He asked Jones to follow up on the matter and fix the problem.

Since his wife and kids had the flu at the time, Jones called the crate boarding company from home to determine how the problem occurred and gave instructions as to what had to be done. He then called his boss at the office to tell him everything had been taken care of, and that if there were any further problems, to call him back.

The next day, Saturday, he came to the office to catch up on some work. His boss was there too, but when Jones brought up the subject of the air freight shipment, the Japanese seemed annoyed and upset.

How would you explain the Japanese's reaction?

1. He was upset that the problem had occurred in the first place and felt that Jones should have prevented it.

2. He felt that Jones had mismanaged the corrective action. Jones should have called a subordinate to supervise the work of the crate repair company.

3. He felt that Jones should have come to the office right away and personally tackled the problem.

4. He expected Jones to have provided him with a detailed written report.

Rationales

1. Although the Japanese may have been upset about the occurrence of the problem, there is no evidence in the incident to suggest that Jones could have prevented it or even that it was even within his control. Please choose again.

2. The Japanese clearly did not approve of the way the corrective action was handled. However, delegating the work to a subordinate was not the solution. There is another explanation that delineates a more fundamental cultural difference. Please choose again.
3. This is the correct choice. The episode depicts a philosophical difference between the two cultures. For the Japanese, the job takes priority over family considerations. A crisis at work required Jones to come to the office and personally supervise the matter. Making phone calls was not placing enough emphasis on the situation. For Americans, on the other hand, the manner of a corrective action is not as important as the fact that the problem has been resolved.

4. This seems unlikely since not much time has elapsed between the occurrence of the problem and Jones' running into his boss for the latter to have expected a written report. Please choose again.
Jerry Smith was conducting an accounting workshop for several company executives. Most of the executives participating in the workshop were American, while a few were Japanese. To make his lecture more interesting and participative, Brown began quizzing the participants, saying that if anyone answered a question correctly, he would give them a dollar. Everyone participated and each time someone came up with the right answer, Brown would take out a dollar from his pocket and place it in front of the person. By the end of the lecture, everyone had won a couple of dollars.

As the lecture ended and everyone got up to leave, the Americans picked up the money they had won and put it in their pockets. However, the Japanese executives who had also won two or three dollars each, simply got up and left the room, leaving the money on the table.

Why did the Japanese not take the money like everyone else?

1. The small rewards were not considered significant and further could not be rationalized as having been earned.
2. The money was considered insulting and demeaning.
3. The Japanese were uncertain how taking the money would be interpreted.
4. They thought the cash had to be returned at the conclusion of the class, since they had not been told it was theirs to keep.

Rationales

1. The significance or worth of the reward is not the issue here but rather the reward itself. In fact, it is perfectly acceptable in Japanese business culture to give away small presents such as cookies, candy, etc. Please choose again.

2. This is the right choice. In Japanese business culture, it is a big no-no for presenters to give away cash prizes. Even training games that involve scoring and competition are considered inappropriate. Americans think nothing of giving and accepting small cash rewards as incentives for learning, but it is
considered offensive to the Japanese.

3. It's possible that accepting cash prizes could be viewed by Japanese as being money-hungry, and the executives would not want anyone to think they had participated for monetary reasons. But there is a more probable explanation. Please choose another response.

3. The money could have been interpreted as merely a teaching tool that was used to make the lecture more interesting. But the Japanese were given every indication the money was theirs to keep. Also, the Americans had kept their winnings, indicating that it was not expected to be returned. Please choose again.
Bill Barnes works for an American company that has a tie-up with a Japanese firm. The company owns a piece of land in Tokyo which the city government had acquired in order to build on it. In addition, there was also some heavy machinery on the land which government officials asked the company to move, saying they would provide monetary compensation.

Barnes' team of American executives came up with an estimate of $5 million. Although the figures were not inflated, there was a possibility that it would not cost that much. The Americans reasoned that any money left over could be used for other purposes, such as additional dividends to shareholders.

The Japanese executives, however, refused to go ahead with the estimate saying that it would be a disgrace if government officials found out that they had been overcharged.

What was the underlying conflict?

1. The Japanese were using a negotiating ploy to realize a lower price.

2. The Japanese believed that once a budget was established they should stay within that budget. Otherwise it would be perceived as poor management and planning.

3. The Japanese did not like the idea of taking money from the Japanese government and giving it to American stockholders. The conflict was both the overcharge and the ownership of the additional money.

4. The Japanese were concerned of the resulting loss of face if government officials discovered they had been overcharged.

Rationales

1. This explanation is unlikely. The Japanese's concern was not so much the high estimate as the perception that they would knowingly overcharge a government body. Please choose another answer.

2. While it's likely that exceeding the budget could be considered poor management, no budget had been
3. Honesty in dealing with the government is important for the Japanese and they may have thought their government was being taken advantage of. However, it was not a deliberate overcharge by the Americans and the rationale for the Japanese refusal is grounded in a more cultural reason. Please choose again.

4. This is the right choice. Loss of face and a sense of shame play a crucial role in Japanese culture. The Japanese were concerned that if the company name was tarnished, it would affect their ability to do business with 'good face.' Also, the slightest humiliation causes an immediate and sometimes irretrievable loss of one's face. Americans are no happier about losing face but it causes more distress to the Japanese. Furthermore, Americans though not deliberately misleading the government, may think nothing of getting a little more back from the government.
While reviewing sales accounts, Bill Brown, general manager of a Japanese subsidiary in the U.S., detected a billing error in the company records. He discovered that for several months, one of their customers had been erroneously billed the wrong price. It was a gross undercharge which amounted to $300,000 worth of back bills.

Brown quickly brought this to the attention of Shuji Tanaka, the Japanese vice president responsible for customer service. Tanaka, however, was unwilling to collect the back payments, stating that admitting their mistake would make the customer angry. Brown could not understand the reluctance on the part of the Japanese to collect the money, especially since it was a sizeable amount.

Why was Tanaka so reluctant to collect back payment from the customer?

1. Tanaka felt that mistakes caused by the company are not the responsibility of the customer. It would have been rude to go back and ask the customer to compensate them for Tanaka's error.

2. Tanaka did not wish to admit a mistake was made as it might reflect on him personally.

3. There was a concern for loss of face for making such mistakes in the first place, and for the negative impact on future business.

4. Admitting the mistake to the customer would have resulted in a loss of status for Tanaka.

Rationales

1. This is partly true. Mistakes made by a company are usually not the responsibility of its customers, and may also give the impression that the company has poor organization. However, this does not explain the cultural basis for Tanaka's hesitation to collect the back payment. There is a better choice.

2. Admitting the mistake would not necessarily reflect on Tanaka per se since there is nothing in the incident to suggest that he was personally responsible for it. Please choose again.
3. This is the best response. It relates to the feelings exhibited in the previous incident—loss of face, fear of being perceived as money-hungry, and the need to maintain group harmony—factors which are not of overriding concern to Americans. Also, market share is usually more important than profit for the Japanese; consequently, it is better to swallow red ink than to run the risk of losing a customer.

4. Since Tanaka was not directly responsible, it could not affect him personally. Please choose another answer.
5. Because of poor sales, the U.S. subsidiary of a Japanese manufacturing company had incurred considerable debt in Tokyo. Within two years, however, sales picked up and the company began showing a considerable profit. At a board meeting called to review the financial situation, senior American executives in the U.S. office suggested that since the company was showing a profit, it should reinvest some money in another area, while slowly repaying the debt. However, the Tokyo office disagreed, firmly stating that the company must repay all of its debt, staying lean until that time, and then reinvest. The meeting ended in disagreement.

What was the underlying reason for the disagreement between the American and Japanese management?

1. The Americans were perceived as risk takers and the Japanese were afraid the company would lose money again.

2. The Japanese believe that being in debt is bad; therefore it should be paid off before branching out.

3. The Americans were unable to understand the Japanese's need to regain status lost by the Japanese executives during the time when their company was not profitable.

4. The Japanese placed part of the blame for lost profits on the American subsidiary's poor management and were, therefore, hesitant to reinvest.

Rationales

1. This may be partially true. In general, Japanese tend to be more cautious than Americans. The latter are greater risk takers and there may have been genuine concern that the company could lose money again. There is, however, a better response that illustrates a fundamental difference in cultural perspectives. Please choose again.

2. This is the correct choice. There is an underlying difference between Americans and Japanese with regard to the ethics of money. For Japanese, incurring debt can bring on disgrace; therefore, debts should be paid off as soon as possible. This conservative approach contrasts sharply with Americans, who tend to use a
more aggressive approach, refinancing when interest rates decline and reinvesting when profits show an increase.

3. This is not entirely correct. The Japanese need to repay debts is based on a deeper philosophical reason than their need to regain lost status. Please choose again.

4. Since the incident does not state the cause of the declining sales, the Americans cannot be blamed for poor management. Please choose again.
6. Bill Blass is senior manager of distribution for a Japanese firm in the U.S. and has been with the company for three years. His wife, too, is a business professional who works in another state where she lives with their children. In effect, Blass commutes to work, visiting his family once every two weeks.

One day, his Japanese boss, Mr. Takashi Ishiguro, informed him that the company had selected Blass to serve on a project in Tokyo. The deputation would be for a year and there would be monetary benefits attached to it. He was told that his wife and children could also accompany him.

Blass was pleased about the position and said he would consider it. A few days later, however, Blass told his boss that he was unable to accept the transfer, mentioning that his wife would have to quit her job and the kids were at a crucial period in their school years. Ishiguro said nothing but was bewildered by Blass' decision to refuse the offer.

What was the cause of Mr. Ishiguro's confusion?

1. Ishiguro was confused about Blass' explanation that his kids were "at a crucial period in their school years," since all schooling, regardless of the grade level, is considered important.

2. The Japanese failed to understand how Blass could take into consideration his wife's opinion in this matter. Japanese culture holds that the man is the head of the family and the wife should obey and follow the husband's wishes.

3. Ishiguro believed it was an honor to have been selected for the position and cannot comprehend why Blass would turn it down, especially since there were considerable monetary benefits attached to the transfer.

4. Ishiguro expected Blass to put the company's rather than the family's needs as the first priority.

Rationales

1. This seems unlikely. Japanese too see certain school years as being crucial ones. Please choose again.

2. This is a stereotypical answer. Although Japanese culture tends to be male-dominated, it is not merely
his wife's opinion on the matter that baffles the Japanese. There's a fundamental cultural difference in priorities being played out here. Please choose again.

3. This is partly true in that Ishiguro may have considered the selection to be an honor, but the monetary benefits are not a major consideration in this episode. Please choose again.

4. This is the best choice. While in America, family decisions can impact business decisions, this is truly an appalling situation to a Japanese for whom the job and the company take priority over personal and family considerations.
Hideo Suzuki works for a manufacturing company in the U.S. Among the company's potential customers is a Japanese firm in America, which showed an interest in buying one of its products. Suzuki's company drew up a contract and since the customer company was predominantly Japanese, Suzuki's boss, an American, asked Suzuki to translate the contract in Japanese and have the customer sign it.

Suzuki pointed out that their own company had not signed the contract and suggested they do so. His boss replied that since the contract was contingent on the customer's approval, the customer should sign it first. Suzuki seemed uncomfortable but left the office without any further comment. Later, he told a colleague that he was embarrassed and reluctant to see the Japanese customer.

What was the cause of Suzuki's embarrassment?

1. The Japanese would have wanted signed assurance that the U.S. company would stand by the agreement and not make changes after the Japanese had signed it.

2. Suzuki felt his boss was not comfortable enough with the contract (and the translation) to put his name on it.

3. Suzuki felt it showed a lack of trust on the part of his company.

4. Suzuki felt that the contract should be signed as an assurance to the potential buyer that it was already accepted by the seller.

Rationales

1. The Japanese place great emphasis on trust and thus were not likely to be suspicious of the Americans. Please choose again.

2. There is no clear evidence here to suggest the American had reservations about the contract. Please choose again.

3. This is the correct choice. Japanese business protocol requires that the seller sign a contract first to show good faith (trust) on the part of the company preparing the contract. Personal relations, mutual trust and
guarantees of reciprocity take centerstage in Japanese business.

4. Japanese protocol does require the seller to sign a contract before the seller does, but this response does not explain the cultural reason for it. Please choose again.
Following a week of meetings on long-range strategic planning proposals, a Japanese company in the U.S. held an informal party after work at a local hotel. Roy Keene, a vice president who attended the talks, was pleasantly surprised to find his Japanese colleagues extremely congenial and very different from the serious demeanor exhibited during the meetings.

As he mingled with his colleagues, he soon struck up a conversation with Kenichi Kuomo, another vice president who had chaired the meetings. In the course of the conversation, Keene brought up the subject of the company proposals. He told Kuomo that following the meetings, he had come up with another idea and wanted to run it by him.

Kuomo appeared uncomfortable, excused himself suddenly, and avoided Keene for the rest of the evening.

What had upset Mr. Kuomo?

1. He did not like Keene's attitude.
2. He did not approve of Keene mixing business and pleasure. The party was meant for relaxation and celebration and not to discuss work.
3. Keene was using too informal a manner when discussing company work.
4. A consensus had to be reached for all decisions and this could not be done at the party.

Rationales

1. There is little evidence for this in the episode. There are factors far removed from attitude problems that are of concern here. Please choose again.

2. This is partially true. Japanese do not discuss business at social gatherings, and decision-making at parties is a social no-no. However, there is another response that explains the reason for this business norm. Please choose again.

3. The demeanor exhibited at the party is not the dominant concern here. Please choose again.

4. This is the correct answer. The Japanese value
decision by consensus, and business ideas need to be thought out, and talked about, in a group setting. At the completion of meetings, decisions and directions are determined as a group. Ideas brought up after and outside of the group are viewed as indecisive and unstructured. Therefore, to suddenly interject a new idea at a party is not acceptable.

This may be frustrating for Americans, whose culture is largely marked by individualism and heterogeneity, and who are not bound by such rigid rules of decision-making.
9. An American telecommunications company with operations in an Asian country, contracted a Japanese firm in that country for the installation of cables. The two companies had done business together for some years now. Eight months into the current contract, there was a local economic crisis which considerably raised the cost of the project. The Japanese explained the situation to the Americans, stating that the installation costs may exceed the original estimate. The Americans were sympathetic but said that although the situation was unfortunate, they could not modify the original contract.

The Japanese finished the job on schedule and the Americans were pleased with the work. However, when they contacted the same firm again for another project, the Japanese declined stating a previous relationship with the company.

What is your analysis of the situation?

1. A contract is a contract and the cost of the unforeseen situation, although unfortunate, must be borne by the company executing the work.

2. The Japanese made an unreasonable demand by asking the American company to bear the rising costs.

3. The Americans should have been more flexible during hard times.

4. The American company should have shared the burden of the excess cost since it is difficult to keep a good business relationship without mutual understanding.

Rationales

There is no correct answer per se; instead the attributions illustrate value contrasts between the two cultures. Responses 1 and 2 depict the American viewpoint; 3 and 4 illustrate the Japanese one.

In America, business relationships depend on business deals. One may end up being friends with the person one does business with, but the strength of that friendship often depends on the strength of the business. In Japan, it's the reverse. The deal depends on the relationship, and the business you enjoy is the direct result of that relationship. Since personal relationship and mutual
reciprocity are more important than price in Japanese business culture, the Japanese felt that the Americans should have helped them out during the hard times. On the other hand, Americans, who do not adhere to such an intricate web of personal obligation, felt the Japanese made unreasonable demands.
Peter Finch, a mid-level manager of an oil company in the U.S. was offered a four-year overseas assignment in Japan. Finch was pleased about the transfer. There were considerable financial benefits with the move and Finch and his family, who had never lived abroad, were excited about staying in a new country.

The couple settled into their apartment in Tokyo, and at first they liked the new environment. But within a few months, the atmosphere seemed to change. Finch's wife complained of being alone all day and of not having any social interaction. She was also upset that her husband's job kept him late at work and that she was never invited to any of the company functions. Finch too became frustrated and short-tempered. He began slacking off at work and asked for a transfer back to the U.S. even if it meant returning at a lower salary.

What would explain the above difficulties?

1. Working long hours is normal in Japan and the Finches should have taken this into consideration before making the move.

2. The Finches were not warned of the different business culture in Japan, and nothing was done to help them adjust to business and social life there.

3. The Finches did not have the right temperament to work in a foreign culture.

4. The Finches should have expected these difficulties and found other ways to make their lives more enjoyable.

Rationales

1. While this is possible, it is not the most plausible explanation for the difficulties. Working long hours is indeed the norm in Japan and wives are rarely invited to company functions, but since the Finches clearly did not appear to be aware of this, they could not have taken it into consideration. Please choose again.

2. This is the best response. Working in a culturally different environment places considerable demands on the individuals. Coming from a business and social
culture that is in sharp contrast to the Japanese one, the Finches should have been given some sort of training in cross-cultural adjustment before leaving for Japan. There are organizations that help individuals adjust to foreign countries and the Finches should have been made aware of them.

3. Although working in a foreign culture does require a certain temperament and attitude, this is not the case here. There is a more pressing issue at hand. Please try again.

4. This response assumes that the Finches knew the norms of Japanese business culture, which they clearly did not. Please choose again.
11.

Yoshi Hamada, director of materials control of a large company in Japan, was transferred to the U.S. subsidiary for three years. He had been in the U.S. just a couple of weeks when a delegation from Tokyo was due to arrive in the U.S. Hamada was in charge of the group and his secretary, Jill Jones, an American, had made all the necessary hotel and transport arrangements. She also had a detailed itinerary of the group.

At about 4:30 Monday afternoon, the team arrived at the U.S. office and headed into the conference room. Thirty minutes into the meeting, Hamada came out of the room to inquire with Jones why she had not served tea and coffee. Jones looked confused and said she did not know what he was talking about. Hamada seemed upset at the reply, and then got annoyed when he realized that she was preparing to leave for the day.

What would you tell Hamada on how to handle a situation like this in the future?

1. Hamada must be more specific about what is required of a secretary. He assumed she knew the Japanese culture.

2. Hamada should be advised on the American business culture, and the fact that secretarial duties do not include serving tea or coffee.

3. He should make sure his secretary understands his expectations in advance and next time plan accordingly.

4. He must inform Jones of her duties.

Rationales

1. It is true that secretarial duties of Japanese differ from their American counterpart in certain ways. However, since Hamada is in the U.S. and not Japan, he cannot expect an American secretary to follow Japanese customs. Please choose again.

2. This is the best response. since this is an American office not a Japanese one. Hamada expected his secretary to serve tea and coffee. While this is part of every business meeting in Japan; in America, it is not part of a secretary's duties.
3. This is partly correct in that if he requires his secretary to stay until the end of the meeting (which is almost always the norm in Japan), he should convey to her that he wishes her to stay. However, there is another aspect that should also be taken into consideration. Please choose again.

4. This is an unlikely response in that it assumes staying late and serving coffee are part of Jones' duties and that she failed to fulfil her duties, which is not the case. Please choose again.
Every Friday evening, the marketing and sales personnel of a Japanese company in the U.S. have a two-hour staff meeting. Items on the meeting agenda are turned in to the administrative assistant the evening before. One particular Friday, the meeting ended earlier than usual. Bill Thompson, a marketing manager, turned to his Japanese boss Yosei Yamamoto, who was chairing the meeting, and said that since there was some time left in their meeting, he would like to discuss a problem that had cropped up that morning with a supplier. He explained how the problem had been growing over time and suggested they replace the supplier.

Thompson explained that since everyone was already present, it might be a good time to ask the others for their views on the subject. Yamamoto replied that they would include it in next week's agenda, and brought the meeting to a close without any further discussion on the topic.

How would you explain Yamamoto's reaction?

1. Yamamoto was concerned the discussion might take longer than the time left in the meeting.

2. Yamamoto did not approve of Thompson making last-minute changes to the planned agenda.

3. Yamamoto wanted to study the problem and reach a consensus decision or policy stand.

4. Thompson should have asked for advice instead of making a suggestion.

Rationales

1. There is no evidence to suggest that the time factor played a role in the Japanese's decision to postpone discussions. Please choose again.

2. This is partly correct. Japanese do not like surprises or new items introduced into the agenda once it has been printed. However, there is another response that provides a better cultural reasoning. Please choose again.

3. This is the best response. While this situation is perfectly acceptable in American business culture,
Japanese like to have knowledge of the topic beforehand so they can think about it and form an opinion.

4. This response implies that there is a problem with the perceived roles of the two men; that the American was usurping his boss' authority, which is not the case. Please choose again.
13. Bill Brown, an experienced business professional, was hired as senior executive of a Japanese-owned company in the U.S. The vice president and some senior managers of the firm were Japanese. Brown had worked in the industry a long time, and although this was his first job in a Japanese company, he liked the Japanese consensus style of business.

At the first board meeting of senior managers, the group discussed company strategy proposals. As the meeting ended, the vice president and the Japanese managers continued discussing amongst themselves in Japanese. Knowing a smattering of Japanese, and realizing that they were more comfortable speaking their own language, Brown jumped into the conversation. The Japanese seemed taken aback at first, but complimented him on his use of the language. However, they reverted back to speaking English and didn't speak Japanese again in his presence.

How can you explain the situation?

1. Brown's intrusion into the Japanese conversation was perceived by the Japanese as an intrusion into a private conversation, much as if Brown had walked into one of the Japanese managers' offices and interrupted a private conversation.

2. The Japanese did not want Brown to hear or know what they were talking about.

3. The Japanese did not think Brown would be able to carry on an extensive conversation with his limited language skills.

4. The Japanese became aware they were excluding him and making it difficult for him to participate.

Rationales

1. While individuals may not like interruptions, it does not appear that Brown did this in a manner considered rude or offensive. Please choose again.

2. This is incorrect. Many Americans think it rude for other nationalities to speak a foreign language in their presence and believe that many foreigners do so in order to talk candidly about the subject, or even about the people present. However, Japanese avoid speaking in English to avoid making linguistic errors.
3. While it is true that one can miss the finer points of conversation if one is not very fluent in the language, there is nothing to suggest that Brown was unable to converse in Japanese. In fact, the Japanese had complimented him on his language skills. There is a better response.

4. This is the correct response. The Japanese determined that Brown was interested in the conversation and felt it impolite to continue speaking in Japanese. The Japanese pride themselves on intuitively understanding other Japanese and may, therefore, be frank and open in discussions with other Japanese. An American with limited knowledge of the language may misunderstand certain cues and meanings. However, the tendency to speak in Japanese leads many Americans to believe that Japanese do not want them to understand or hear what is being said.
Several senior American and Japanese executives were present at a meeting to discuss ways of reducing the company's operating costs. Barry Hinkle, an American vice president of production, began the meeting by discussing the current budgetary issues and suggesting cuts in program areas to tackle the deficit problem. In his presentation, he used graphs and charts to further substantiate his statements.

As he spoke, some of the Japanese managers began whispering among themselves and having side conversations in Japanese. Hinkle maintained his composure but was offended by the interruptions.

How would you explain the situation to Hinkle?

1. The Japanese were trying to reach a consensus decision on the ideas being presented.
2. The Japanese were making sure they understood what was being presented.
3. The Japanese were not in complete agreement with Hinkle's ideas and were discussing it amongst themselves.
4. Since it was meant to be a meeting to discuss ways to reduce costs, the Japanese thought it was too one-sided and wanted to discuss the issues. They felt Hinkle was not giving them a chance to agree on the situation or its possible solutions.

Rationales

1. While consensus is the cornerstone of Japanese management practices, this is not the overriding issue here. Please choose again.
2. This is the best choice. Side conversations may appear disconcerting and rude to Americans, but the Japanese are merely trying to ensure they understand the presentation clearly. This occurs even when the speaker is Japanese.
3. There is nothing to indicate this is the case. There is something more fundamental going on here. Please choose again.
4. This is incorrect. Discussions normally ensue after a presentation has been made, not during it. Please try again.
15. Bob Ryan, representing an American multinational firm in the U.S., was visiting Osaka, Japan, to close an important deal with a Japanese firm. He scheduled a four-day stay in the city, after which he was headed for the Philippines. On his arrival in Osaka, he was well received by his Japanese counterpart. The following day, he had a meeting with the Japanese management and found them very gracious. Tea was served and preliminaries exchanged. However, Ryan had problems discussing the contract. It seemed that every time he brought up the topic, the Japanese were more interested in finding out more about himself, his position in the company, etc.

By the third day, Ryan began to get impatient and worried since he was scheduled to leave the next day and the deal had not been discussed.

What's your analysis of the situation?

1. The Japanese were trying to determine Ryan's status within the company so that any decisions they might make would be binding on the company.

2. The Japanese had either already decided to accept the contract or did not know if Ryan was the correct person to be speaking with since they did not have any previous experience dealing with him personally.

3. The Japanese like to know the people they do business with. Ryan should allow time to develop personal relationships.

4. Since the deal was already at the point of closing, the Japanese were unsure of Ryan's position in the company with regard to his authority to close the deal.

Rationales

1. While Ryan's position in the company is important for the Japanese, it is unlikely that they would have entered into a meeting without already knowing his designation or status. Please choose again.

2. Developing personal relationships are important in Japan, but it is not necessary to have had a prior business relationship with the individual. There is a
more fundamental cultural issue here. Please choose again.

3. This is the correct choice. Preliminaries are important to the Japanese. They are not direct in discussing business affairs at the first meeting—taste of poor it is considered to be bad. Americans, typically, get to the point. They tend to focus on tangible aspects of negotiations without spending too much time on intangible aspects such as building relationships during the process. The Japanese also put great store in establishing rapport. Ryan sees the trip as a solely business one, but he should take time to get to know his Japanese partners.

4. This is incorrect. Ryan was sent by the company to close the deal; therefore, any hesitation about his authority to do so is misplaced. Please choose again.
Phil Gates, the comptroller of a Japanese firm's American subsidiary, was scheduled to give a speech on taxation to a group of senior managers. The lecture was held late afternoon and barely had Gates begun his speech and launched into his topic when he noticed one of the Japanese managers had closed his eyes and appeared to be asleep.

Gates stumbled through his presentation, but was horrified at the incident.

How would you explain the situation?

1. The lecture topic was not germane to the Japanese's daily job and he was probably attending only as a matter of protocol.

2. The Japanese was merely focusing on the ideas being presented.

3. The meeting should have been held in the morning rather than late afternoon when one is more likely to be sleepy.

4. The lecture was probably boring. Gates should have changed the pace of the lecture or its format into a more interesting one with anecdotes, questions-and-answers, etc.

Rationales

1. Many Japanese do attend meetings as a matter of protocol, but closing one's eyes during the course of a meeting is not a sign of indifference or boredom. Please choose again.

2. This is the correct response. This situation is quite normal in Japanese business meetings where a significant number of Japanese executives may appear to be asleep. However, they are merely resting their eyes, and taking in every word being spoken.

3. The time of day is not the issue here. Nor are the Japanese taking a catnap. Please choose again.

4. The presentation may or may not have been boring, but the pace of the lecture is not the cultural issue here. Please choose again.
A small group of senior American and Japanese managers were in a meeting to discuss the expansion of the company cafeteria. When no decision was reached even after two hours of weighing the pros and cons, an American suggested a vote be taken. Five of the eight executives present voted in favor of it. Since this was a majority vote, another American manager asked when the expansion would begin. His Japanese boss looked puzzled and said that there had been no agreement on the matter.

What's the most plausible explanation that describes what occurred?

1. The Japanese were more concerned about gaining a consensus on if there should be an expansion rather than when.

2. Consensus is defined differently by Americans. A majority vote in favor of the expansion meant that there would be an expansion.

3. Consensus management requires that more discussion be held until all are convinced that this is the correct decision.

4. To the Japanese boss, absence of consensus meant that no decision had been reached.

Rationales

1. It's true that the vote was being taken to determine whether there should be an expansion. However, there is a factor involving the decision-making process that has more validity. Please choose again.

2. This response best illustrates the American perspective. For Americans, a majority vote in favor of expansion would imply that the expansion project was approved. It is not imperative that there be a unanimous vote.

3. This response best illustrates the Japanese perspective. Decisions are usually made by unanimous agreement rather than majority vote. The meeting would be adjourned and reconvened until everyone agreed to the expansion. Only then would consensus be attained.
While this is a normal situation for Japanese, it is perplexing to Westerners for whom majority agreement is sufficient. However, once consensus, as defined by the Japanese, was reached, the building program would probably go forward at incredible speed. There is an old Japanese adage: "Think and resolve slowly, but work very fast."

4. It's true that consensus had not been reached. But there is a response that better explains how consensus is defined. Please choose again.
Larry Young, a marketing manager with several years of experience, had recently joined a Japanese company in the U.S. He was excited about the job and settled in well at first. But soon his enthusiasm began to wane. It seemed that each time he came up with an idea to initiate a marketing strategy, his Japanese boss would check his ideas with the Tokyo office. The approval from Tokyo was usually long in coming and Young became increasingly frustrated because the delay would often be costly. Young calculated that he lost a considerable percent of the market share due to these delays in approval.

How would you help Young view the situation?

1. His boss did not have the necessary authority and had to get permission from his superiors.

2. Young lacks persuasive skills and should be more aggressive. He should try to convince the Japanese manager to go ahead with the marketing strategies.

3. The Japanese office finds his ideas too risky.

4. The Japanese need to reach a consensus on all decisions which can take a long time.

Rationales

1. Japanese businesses are indeed hierarchical. However, the conflict here is not so much the boss's lack of authority as the need for consensus decision-making. Please choose again.

2. From an American standpoint, the problem could be solved by being more persuasive. An aggressive stance, however, would not work with a Japanese boss. Please choose again.

3. Although Japanese are cautious in business dealings, there is nothing in the episode to suggest that Young's ideas are risky. Please choose again.

4. This is the correct choice. Reaching a consensus is the cornerstone of Japanese management, and this process can take a long time. Also, Japanese decision-making follows hierarchical patterns. Consequently,
the idea must circulate its way up so that everyone knows about it and has the opportunity to okay it. Ryan needs to be more patient -- the Japanese will reward patience.
19. Dan Smith, a management consultant of a petroleum company, was transferred to Osaka, Japan, for a two-year stay. His job was to help establish a joint venture with a Japanese firm in the petroleum industry. As planning sessions got underway, the two sides began negotiations over their respective roles in the tie-up. Before making each decision, however, Smith said he would have to check back with his company lawyers. The Japanese appeared uncomfortable, conversing amongst themselves in Japanese. Finally, one of them asked him if he detected a problem in their business relationship. Smith was surprised at the question, since he thought the dealings had been progressing smoothly.

How would you best explain this situation?

1. Since Smith was negotiating, he was expected to make the decisions himself.

2. For Smith, involving his company’s legal department was a normal progression of events. The Japanese perception was that there was a fundamental lack of trust on Smith's part.

3. Smith should not have used the word 'lawyers,' since some Japanese think that consulting a lawyer is to find ways to write the contract in your favor.

4. The Japanese do not use lawyers in business, especially at this stage of the project.

Rationales

1. Since the Japanese value consensus, it's unlikely they would expect Smith to make the decisions himself. Please choose again.

2. This is the right choice. American culture tends to be legalistic. Americans prefer, and expect, contractual agreement to formalize negotiations. Therefore, for the Americans, confirming with a lawyer was the natural way to do business and had no bearing on the relationship or trust between the two companies. Lawyers, however, are not thought of highly in Japan and so it appears that Smith does not trust them. In Japan, a bond may be formed in verbal commitments.
3. Lawyers are not thought of highly in Japan for more overriding reasons than to find ways to write a contract in your favor. Please choose again.

4. Japanese do not like lawyers. Ipso facto, there are very few of them, mostly in international law or taxes. However, there is another response that better explains the situation. Please choose again.
A group of American and Japanese executives were sitting around a conference table in an informal meeting on total quality management practices. They began discussing ways to implement it in certain areas within the company. An American manager offered a suggestion; then a Japanese gingerly offered another. After about an hour of politely discussing alternatives, an American manager slapped his hand on the table and said, "Let's just look at the hard facts and not dwell on idealistic measures."

Tadeo Miyamoto, the Japanese vice president chairing the meeting, was shocked by the American's outburst and felt he would never understand the Americans.

What's the most plausible explanation that describes what happened?

1. The Japanese mistook the American's outburst as personal criticism of his management style.

2. The American was too impatient. The pros and cons of the issue had to be discussed and he was not prepared to do that.

3. Each group had a different idea about what would happen in an informal meeting. The Americans thought a decision would be made at the meeting; the Japanese were merely interested in putting ideas on the table.

4. For the Japanese, meetings are held to look into all aspects of a matter and it could take a long time to come to a conclusion.

Rationales

1. Although American and Japanese management styles may differ in many respects, it is the outburst itself rather than the perception of criticism that is the underlying cause of conflict. Please choose again.

2. While the American may be guilty of impatience, it's unlikely that he was unwilling to discuss the pros and cons at all. There is a better explanation.

3. The Japanese did want to reach a decision, only the decision making process generally takes a long time. Please choose again.
4. This is the best response. The Japanese like to explore all options, even those that may not be feasible because they may be in part inapplicable. Consequently, the meeting seems to take an inordinate amount of time. Americans, on the other hand, are generally pushed by efficiency. They want to quickly identify the problem and find a solution. Moreover, their approach tends to be dialectic. It's direct, verbal and, sometimes, confrontal. There is greater frankness and less inhibitions about voicing a conviction. However, such directness often seems startling and abrasive in Japanese eyes.
James Campbell, product information manager of an American firm, was negotiating a sales deal with a Japanese customer in the U.S. When his Japanese counterpart showed an interest in the product, Campbell quoted a wholesale price and asked him if he would be interested. The Japanese nodded, saying it was a good price. Campbell took his reply to mean the Japanese company was interested in purchasing their product.

Back at the office, Campbell told his boss that the meeting went off well and they may be able to close the deal soon. However, the following week, he was surprised to discover that the Japanese had no interest in buying the product. Campbell couldn’t understand what had gone wrong.

What is your analysis of the situation?

1. The Japanese were reluctant to appear negative in any way.
2. Campbell should have followed up on the sales negotiation in further detail.
3. Campbell should have got a written commitment from the customer. Only written commitments are considered valid.
4. Campbell had been too quick to reach a decision. Japanese decision-making is a lengthy, time-consuming process.

Rationales

1. This is the correct response. While Americans prefer to be direct and candid, Japanese rarely give a direct refusal or say 'no'. It is considered rude. Ambiguity is used to convey reluctance so as to avoid embarrassment to either party. Therefore, a noncommittal reply such as saying the price is good, rather than a firm commitment, is a sign that the buyer may not be interested. In American culture, low-context messages tend to predominate (as compared to the high-context Japanese language). As a result, Americans can become frustrated or confused because of the ambiguity inherent when interacting with the Japanese.

2. It’s possible that if Campbell had followed up the
negotiations in greater detail, he may have realized the reluctance of the Japanese to strike a deal. However, there is another response that better explains the cultural cause of the miscommunication in this situation. Please choose again.

3. This is incorrect. Japanese pride themselves on honoring verbal commitments too. Please choose again.

4. The underlying reason for the misunderstanding is not the American's impetuosity or rashness, but his inability to comprehend what was implied in the Japanese's answer. Please choose again.
22. Every year, a Japanese petroleum company in the U.S. throws a New Year's party in which its customers, primarily other American companies, are invited. The Japanese company's U.S. subsidiary is small, comprising 6 or 7 executives, all of whom are Japanese. At one such party, Jim Thompson, an executive with an American firm, got into a conversation about current auditing practices with the Japanese finance director and his assistant, a young Japanese executive. Throughout the discussion, the assistant stood by without saying a word. However, as soon as his boss left, he began giving his own detailed opinion on the subject.

When Thompson, impressed at the young man's critical reasoning, asked him why he had not spoken earlier, the assistant remained silent.

Why had the assistant not spoken during the discussions?

1. The assistant's views probably conflicted with his superiors' and therefore he did not want to air them.
2. The assistant was being respectful of a more senior person.
3. The assistant had not been asked to speak or give an opinion. If they had wanted him to comment, they would have asked him.
4. The assistant did not know how his opinion would be received.

Rationales

1. The assistant's views per se on the subject have no bearing on the situation. Please choose again.
2. This is correct. Japanese businesses are hierarchical, and it would be considered a blatant breach of Japanese etiquette had the junior man interrupted the senior's talk. Differences in status among Japanese businessmen are commonly acknowledged in deferential behavior, and verbal economy is usually expected when conversing with individuals of higher rank. Status in the workplace is harder to break in Japan than in the U.S. Americans do not adhere to strict or explicit codes of behavior, and
their concern for protocol is largely informal.

3. This is partly true. The young man would have spoken had been asked to by the senior Japanese executive. However, this response does not explain the underlying cultural rationale for this conduct. Please choose again.

4. The conflict has less to do with how the opinion is received than with Japanese business etiquette and codes of conduct. Please choose again.
23.
Tim Johnson was senior manager of a U.S. firm that had plans to begin operations in Japan. While in Tokyo, Johnson had several meetings with the vice president of a Japanese company, Yosei Kashima, and his Japanese assistant.

The meetings were fruitful and there seemed a possibility of a joint venture between the two companies. As the negotiations ended and Johnson prepared to leave for the U.S., he stopped by the office to thank the two men and gave each of them a small gift, a Native American statue, as a token of appreciation.

The Japanese thanked him, but seemed embarrassed by the gifts.

What had Johnson done wrong?

1. The gifts were perceived as a bribe by the Japanese.

2. Johnson should not have given gifts of equal value to the Japanese.

3. Johnson's choice of a Native American statue was a wrong one.

4. Johnson should have given gifts of higher value to the Japanese.

Rationales

1. While it may be perceived as bribery in some cultures, gift-giving is a common Japanese business practice. Please choose again.

2. This is the correct choice. The gifts were not cognizant of the different pecking order of the two Japanese. When giving gifts, it is imperative to bow to the Japanese sense of hierarchy. Care must be taken not to offend by giving a significantly higher-ranking person a gift of equal or lesser value than his subordinate.

3. Japanese appreciate gifts that are typically American and would have appreciated a Native American statue. Please choose again.

4. A gift is only a token of appreciation and Japanese do not expect to be given only expensive gifts. Also, there is nothing to suggest that the statues were inexpensive. Please choose again.
24.

When Akio Yamaguchi, a Japanese manager in Tokyo, was transferred to the company's subsidiary in the U.S., he was excited about the relocation. He had taken extensive English language courses and was confident about his ability to speak and conduct business in English.

In the U.S., Yamaguchi settled in well at first. He liked the country and found the people friendly. However, at work, Yamaguchi found that while he thought his English was good, he very often failed to understand what his boss was talking about or referring to. He gradually became withdrawn and felt he didn't fit into the American system.

What was the cause of Yamaguchi's inability to comprehend his boss?

1. Yamaguchi failed to understand idiomatic English and/or American jargon.

2. Yamaguchi's English was not good enough. He had not yet mastered the language and needed further coaching in the English language.

3. Since American and Japanese business styles are different, Yamaguchi failed to understand his boss's instructions.

4. Yamaguchi had trouble understanding his boss' accent.

Rationales

1. This is the correct response. English often consists of non-standard vocabulary making it difficult for non-native speakers to comprehend certain phrases and idioms. Also, English spoken by Americans is often peppered with American slang which is typically not taught in any English language course.

2. Even if the Japanese had mastered the language, it is often difficult to understand slang that is native to a country. Please choose again.

3. This is unlikely. The Japanese's inability to comprehend was more a linguistic obstacle than a difference in business styles. Please choose again.

4. There is nothing to suggest the American boss' accent
was any different from most other Americans. Also, the Japanese had problems understanding what his boss was referring to, suggesting incomprehension of certain words and phrases, rather than the accent. Please choose another response.
BIBLIOGRAPHY


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