International business essay example

Business, Management



Cultural Differences between Japan and United Kingdom using Hofstede's Dimensions

Considering rapid globalization in the past years, it appears that intercultural communication continues to play vital roles in sharing of meanings and contribution to ethical decisions. Culture has become a strong undercurrent into international businesses. Culture also has impacts on management considering managers' activities in the entire world. Nevertheless, managers continue to carry out activities in different ways due to their diversity in decision-making. This is due to the difference in cultural backgrounds that has become much rooted into them and cannot let go. This is an illustration that cultural practices considered to be right by one business manager can end up being oppressive to another, hence the need to understand cultures especially in international business. Moving from United Kingdom (UK) to Japan has led to more cultural differences. The two nations have almost totally different cultures. The company has transferred some of its operations to Japan and this has led to a difference in a working environment pertaining to a diverse culture from that in UK. Analysis of the difference between the two cultures will be carried out using the Hofstede's approach of cultural dimensions. These dimensions include power distance, collectivism or individualism, feminism or masculinity, long versus short-term orientation and uncertainty avoidance. Dimensions of Hofstede's approach will be used throughout this research in comparing the differences between cultures in UK and Japan.

A deep research was conducted by Geert Hofstede in an attempt to determine the influence of cultural diversity on management of businesses.

The ethic investigations conducted by the icon have continued to indicate insights on values in societies that focus on dimensions of culture. He continued to state that dimensions of culture can be measured relative to others from different nations. Power distance is one of the dimensions and measures inequality degrees in society. In terms of inequality degrees, UK has been ranked number 35 while Japan has been presented as number 54. Since Japan continues to be ranked below UK in the power distance index, it is an indication that society has a belief that cultural discriminations among citizens should be eradicated. Japan has been flooded with inequalities since much power has been concentrated to top leaders. Moreover, Japan's power hierarchy has continued to be defined in almost all organizations. Most relationships in Japan are vertical relationships whereby they are relative to status, hierarchical position, seniority, gender differences and educational backgrounds. Most significantly, Japan's relationship between employees and employers has been characterized by mutual trust as well as work dedication. In contrast, UK continues to be ranked with a lower power distance index since employees are usually directed on their activities. In this case, managers are usually considered as resourceful democrats instead of people's superiors. In UK, everyone has a chance to work hard in order to earn a position in management since authority is not designated, but earned. UK also continues to offer support to egalitarian values as well as perceiving power in an authoritarian perspective and as domination of society. However, as seen earlier Japan power has been viewed as a positive suggestion of supportiveness.

Looking at individualism as a cultural dimension according to Hosftede, it

appears different from collectivism. The concepts tend to describe relationships between individuals and societies. This is a clear reflection of ways of livelihood by the people. UK has been ranked position 89 in the individualism index compared to individualistic cultures. On the other hand, Japan has been rated number 46 in the individualism index. This is an indication of the nature of collectivism in the Japanese society. Confucian heritage values continue to be shared in Japan indicating a more fundamental element in that success of organizations continue to depend on group efforts instead of individual efforts. Companies in Japan tend to value working in teams that are based on team harmony that values collaborative route more than individual works. Japan pays more emphasis on team-work more than the individual work. Individuals express true personal opinions meaning that making them strong can disrupt the harmony of the group as well as making the same a serious concern.

Timing and implementation has appeared different considering the collectivistic approach since it changes attitudes towards decision-making. Most dominantly, Ringi system has become significantly used indicating that proposals of decisions are usually delivered to employees before final decisions are made. This means that all people in an organization are usually engaged in decision-making processes before any implementation is made. Moreover, there are arguments that emerge from Northern European countries that decision-making processes are slow in Japan due to in-group engagement in decision-making. Nevertheless, it is efficient in implementing decisions faster as well as indicating clarity of decision among everyone. A moral stance in Japan has prevailed in terms of individualism being considered an evil activity. They also have an ideology holding that equality is vital than selfishness of people's freedom. On the other hand, UK people are mostly perceived as individualistic meaning that more power is concentrated on management of people as well as decisions based on rules and skills. It has also emerged that personal fulfillment remains vital as people seek to acquire individual freedom. Managers in UK are more individualistic meaning that they can leave relationships or teams whenever cost of participation surpasses benefits redirecting relationships and groups promote personal goals. Confrontations have been noticed in dealing with decision-making processes since there appears to be fewer consensuses in the groups.

A third dimension in Hofstede's research includes masculinity that is different from femininity. Femininity involves societies where roles of gender tend to overlap. On the other hand, masculinity involves societies whereby social gender roles appear distinct. Japan has been ranked 95 in the masculinity index and this places it as a masculine society in the world while UK has been ranked number 66 in the masculinity index. This is an indication that UK is mostly driven by culture. However, both cultures have been focusing on material successes, competition as well as money possession levels and performances. High levels of masculinity in Japan indicate that people work for a livelihood and a society is characterized by competitions on positions. Meiji era marked masculinity in Japan from western ideology when industrialization was developing as well as a rise in competition and recognitions.

The other dimension in Hofstede's research is uncertainty avoidance. This

has been defined as the extent of members' feelings on threats through unknown situations and uncertain scenarios. Japan has been ranked position 95 in the uncertainty avoidance index while UK has been ranked 35 in the uncertainty avoidance index. This is due to much uncertainty in the Japanese culture that remains a constant threat. This can be attributed to natural disasters that it constantly faces. People in Japan undergo through high levels of stress as well as fear of risks and ambiguity. Due to these fears and threats in Japan, changes become difficult to implement as people engage in suppression in new ideas and resistance to innovation.

A strong belief is available that specialist and experts in Japan require systems of tight rules to be guidelines for conduct. On the other hand, UK has always been considered as a country with much avoidance in uncertainty meaning that stress levels among citizens are low. Moreover, there is low ambiguity in UK and people tend to tolerate chaos in situations of management. Uncertainty can be viewed to be a normal characteristic in life as well as all that is different is regarded curious. This is contrary to Japan that is considered dangerous. Looking at UK, businesses believe in individual thoughts and common sense along with people having generalist knowledge. Power of managers tends to rely on positions as well as their relationships with employees in companies.

Finally one should consider the long-term compared to the short-term orientation. Orientation in the long-term refers to the act of fostering virtues in future whilst short-term orientation refers to fostering of values that are related to past. In analysis, a top position was ranked for Japan at position 80. On the other hand, UK was ranked position 25, hence classifying it as a short-term in terms of orientation. Japan is mostly guided by perseverance, ability to adapt and self-discipline. It is crucial that Japanese people sustain their efforts towards achieving a slow, though a secure result. This has been evidenced by the fact that despite the financial crisis in Japan, the country continues to invest in both research and development with a focus on steady growth to satisfy shareholders in companies. On the contrary, UK has been placed almost at the end of this index hence considered to be a short-term in terms of orientation. There are main values that appear to guide people in UK that are mostly focused on traditions, respecting race and stability. In this case, quick results are usually expected as plans are implemented in the short-run . UK businesses tend to focus on the past results. This is regardless of the effects they may pose to managers affected by actions of those that came before them.

Limitations of the Hofstede's Dimensions

Hofstede's model has several limitations. These limitations include stereotyping of cultural frameworks and this can be regarded as a source of discriminations and injustice. Moreover, models have a limitation of describing culture using the objectivity methods, non-evaluative data in attempts to predict behavior patterns and thoughts of members of particular cultures. It is clear that value dimensions are reductive as well as essentialist and fail to consider dynamic situation of cultural interactions. It can be deduced that more complex models that are based on current researches in psychology of global convergence and contextual interactions in sociopolitical elements can explain dynamic values. Most significantly, reliability of Hofstede's model can be questioned. There are limitations of gathering

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information as well as developing references that regard international cultures. Mechanisms make the model outdated since culture is a constantly changing element. Therefore, Hofstede's research has been affected by these limitations, although it continues being used throughout the world.

Operating a Business in Japan

Most significantly, findings using Hofstede's dimensions can be incorporated in order to conduct business in Japan. Japan has a higher power distance index indicating that most of the power is concentrated to top managers. Working in Japan would call for more caution in terms of ways of conducting business. There is a belief of power and competition in Japan. This way, conducting business in Japan would need to study all the competitive businesses that operate in a similar industry as mine. I will be able to study all their dynamics and ensure that I do not do contrary to what they do to avoid acquiring disadvantages from my operations. I would ensure that my company works in terms of seniority through granting power to several people and building mutual trust. Moreover, Japanese believe in team-work meaning that operations in an organization should involve a combination of efforts of all employees. This way, organizing employees into workable groups would lead to high productivity and improved performance. Japan has been characterized by acquiring positions and competitions indicated by high levels of masculinity. This is an indication that competition among businesses in Japan is rampant.

Therefore, operating a business in Japan requires determining forces of competition and finding ways to remain ahead of competitors. This can be through the provision of diverse brands of products or improving product quality. In terms of uncertainty avoidance, Japan has been ranked high meaning that it encounters disasters and risks. In this case, operating a business in Japan requires developing risk management techniques that will see a business over a long-term. It is also evident that Japan has been ranked high in terms of orientation. Japan continues to invest in research and development. This means that businesses in Japan use advanced techniques meaning that operating a business call for much investments into technological advancements among other developments in the region.

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