

Intercultural business japan vs. sweden



Cross-Cultural Issues in Human Resource Management - a Comparison between Japan and Sweden. International Tourism Management Words: 1498 US English People are an organization's most important resource and asset. Good management of individuals and the workforce is therefore crucial to attain the organizational goals and objectives (Foot and Hook, 2008). However, these characteristics are not static but constantly changing, including shifts to values and lifestyles, families, education and health.

What at one time might have seemed remote from HRM is now a central aspect because global, social and political changes affect all economic activities through marketing opportunities and threats, affecting employment, costs, productivity and the social climate of relationship (Tyson, 2006). To be successful in HRM, it is important to understand the significant differences of the individuals and to cope with the constant changes to help organizations to adjust to the massive social, economic political and technological changes that influence people and consequently the way people have to be managed (Tyson, 2006).

Other than often assumed, individual cultural background is not inherited but "man-made, confirmed by others, conventionalized, and passed on for younger people or newcomers to learn. It provides people with a meaningful context in which to meet, to think about themselves and to face the outer world" (Trompenaars, 1993: 24). Successful international operating businesses necessarily have to take into consideration all possible consequences of cultural differences on the management, the individual work attitude, the communication and negotiations (Rothlauf, 2006).

It is therefore not surprisingly that especially human resource managers of international operating companies require a profound knowledge of people's individual behaviour depending on their cultural background. Good HRM is especially important in the service industry, where the first interaction of the service personnel with the customer often decides about a positive or negative perceived image of the company (Boella 2000). Following up the group assignment, this paper analyses the cultural differences managers have to consider when dealing with employees and customers of Japan and Sweden.

When studying cross-cultural issues for international management relations, Geert Hofstede's theory of five cultural dimensions is probably the most important and best-known model. Hofstede analyzed data of 116. 000 IBM employees in over 60 countries worldwide to find out about the differences between cultures and about how these influence values in organizations (Hofstede, 2003). His results have been independently verified by numerous experts and show the influence of national and regional cultural on the behavior of organizations. Figure 1: Hofstede's five dimensions for Sweden.

Figure 2: Hofstede's five dimensions for Japan. The first dimension of Hofstede is the so called power distance index which he defines as " the extend to which less powerful members of institutions and organizations accept that power is distributed unequally" (Hofstede 1983: 419). As it can be seen in figure 1, The PDI of Sweden is relatively low. This means that Sweden is a country where individuality and equality of rights has a high standard. Swedish employees are likely to personally defend their position within the company and stand in for their individual rights.

Superiors might consult employees that are lower in hierarchy without the fear of losing respect. The need for supervisors is lower and employees are often involved in decision processes. Decentralized organizations are preferred over centralized organization structures. In contrast to this, Japan has a high PDI wherefore employees are more likely to expect inequalities in power and on a personal level as a basis of society. Managers are expected to be autocratic because interactions and trustfulness between lower and higher power levels are always accompanied with the fear of losing respect.

Japanese employees expect their managers to look after them and defend their personal interests (Hofstede 1984). To know these differences is crucial for managers of international operating companies since Japanese employees need clear orders and regulations and are not used to scrutinize these or make their own decisions. Swedish employees expect a certain level of co-determination and flexible individual regulations. The second dimension is the degree of individualism. Hofstede describes it as the tendency of people to look after themselves and their immediate families only. Hofstede, 1980: 419). The counterpart is collectivism which refers to people with strong bonds between individuals. Sweden has a high IND wherefore employees endeavor to realize own goals whereas for Japanese, as part of a collectivistic society, the achievement of group goals, based on the feeling of belonging to a group, is important. According to Foot and Hook (2008: 22) the index of masculinity (MAS) versus femininity can be described as " the importance that is placed on material outcomes (masculinity) versus the quality of relationships (femininity). Sweden's MAS is nearly not existed, whereas Japan's MAS ranks among the highest in the world. In Sweden,

female roles in society do not differ much from each other and female Swedish employees are seen as equal to their male colleagues whereas for Japanese employees female colleagues are usually seen as inferior towards men. In terms of the uncertainty avoidance index (UAI) Sweden ranks significantly lower than Japan. Accordingly, Swedish employees are open for changes, tend to be more willing to take risks and “ conflict and competition can be obtained on the level of fair play and used constructively” (Hofstede 1984: 140).

Japanese employees prefer clearly structured circumstances and rules they can stick to and try to avoid unstructured situations (Hofstede, 1984). Similar to the potential occurring problems with the difference in the IDV, managers have to consider that employees at a high level of uncertainty avoidance have a strong emotional need for rules and regulations whereas employees with a lower uncertainty avoidance index dislike strict structures. The relative low LTO of Sweden indicates that Swedish employees do not lose their roots but are open for new things.

Swedes are not perfectionists but they take their time for reaching the aim. This includes a linear way of handling the whole situation. When dealing with Japanese employees it is essential to remember their very special attitude towards time, thrift and perseverance, expressed in the high LTO, to avoid misunderstandings in business deals or the decision-making processes which might take up to three times longer than in Western cultures (Rothlauf, 2006). Edward T. Hall contributed another important piece to the understanding of cross-cultural communication by adding the elements of high versus low context culture, the concept of proxemics, the apprehension

of time and the degree of formality within the society (Hall, 1959). He generally classifies northern European countries, including Sweden, as low context cultures and Asian countries, including Japan, as high context cultures. This means that Swedes will provide as much information as possible which might cause people of a high context society to become impatient and irritated when low context people insist on giving them information they don't need. Conversely, low context people are at a loss when Japanese do not provide sufficient information (Hall/Hall, 1990).

Proxemics describe the individual required space for feeling comfortable. In high proxemic countries like Sweden, people keep their distances whereas in Japan these bubbles of privacy are much smaller. The orientation in time plays an important role for all cultural models. In his model, Hall differentiates between a monochronic and a polychronic handling of time. According to Hall, Swedish employees tend to have a linear approach to time management and prefer to finish one task after the other.

Cultures with a polychronic approach to time do not attach different time slots to different tasks but as a circular concept, allowing them to complete several activities at the same time (Rothlauf, 2006). Resulting from the above findings, intercultural business relations between Sweden and Japan have a potential for conflicts in many aspects when managers ignore these cultural differences. These differences can be especially found in the hierarchical structure. Swedish managers like a relatively decentralized organization without a direct structure in management and hierarchical chain of commands.

Team work is of high importance and results are expressed as group achievements. The supervisory role is delegate to the individual in possession of the most adequate know how and defined through coordination and encouragement as well as a huge spread of information and a limited presence beyond the subordinates. Commands are regarded as a rough guideline. There is an atmosphere of equality and the information flow is not hierarchical but guided by competence. Swedes appreciate a high level of interactivity between different levels and recompense good ideas wherever they are created in an organization.

Unfortunately this includes very slow business decisions. Japanese are used to very centralized organizations and strict rules. Individual decision making is uncommon. Generally, Swedes are very gentle and should be followed by foreign managers. Obvious displays of power, hierarchy or feelings are not excused. In negotiations, Swedes are very fact based. Statistics and data underline their arguments. Furthermore, Japanese business partners should be aware of the high emancipation rate in Swedish companies, including many female managers and superiors.

By taking the intercultural differences into consideration, allowing the business partner to feel comfortable within a foreign culture, the business environment and economical aspects of each country are an advantage for every intercultural interaction for business relations between Sweden and Japan. Bibliography: Boella, M. J. (2000). Human Resource Management in the Hospitality Industry. Cheltenham: Stanley Thornes Publishers Ltd. Foot, M. and Hook, C. (2008). Introducing Human Resource Management.

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