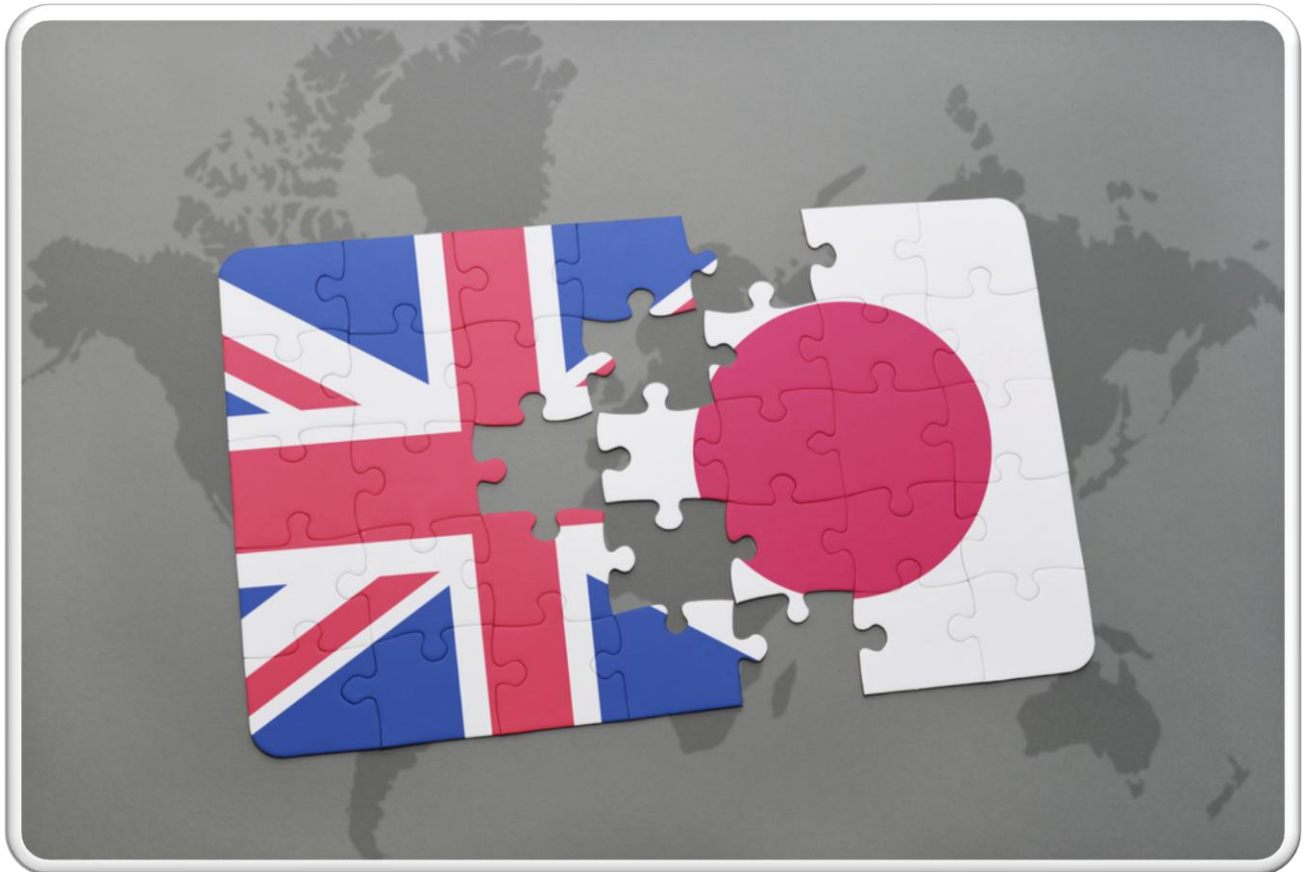




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INTERNATIONAL BUSINESS COMMUNICATIONS

LCBB6001

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Introduction

Effective communication across cultural boundaries is crucial for successful business operations in today's interconnected world. Nevertheless, misinterpretations and failure of communication can arise due to variances in communication styles when it comes to UK and Japanese businesses. Cultural norms and values deeply influence people's way of expression and interpretation of others. By utilizing cultural communication theories like Hofstede's cultural dimensions, high-context and low-context communication theory, and the 7 dimensions of culture, we can acquire a valuable understanding of the roots of these communication obstacles. This essay will identify the unique communication approaches of British and Japanese businesses, examining how these variances may result in conflicts and presenting solutions to overcome the communication barrier for improved teamwork. This work seeks to offer an analysis of the cultural influences on business communication so it can be utilised by the UK based "Revolut Ltd." team and the Japan-based "Sompo Japan Nipponkoa Insurance Inc." in their prospect to work together (Jetro, 2019), by learning from examples and practical strategies to improve intercultural communication between the two parties.



Source: (https://japan.kantei.go.jp/101_kishida/actions/202305/18g7summit_uk.html)

Countries Overview

A short comparison of essential factors that have an impact on the communications between the United Kingdom (Britannica, 2024) and Japan (Britannica, 2024).

United Kingdom



Capital	London
Area	377,975 km ² (145,937 sq. mi)
Population	68,265,209
Time Zone	UTC+0 (GMT), UTC+1 (BST)
Drives on	Left
Currency	Pound sterling (£) GBP
GDP	Total ▲ \$3.587 trillion (6th) Per capita ▲ \$52,423 (21st)

Communication Style

British communication is typically characterized by being direct and low in context. Clear and direct communication is important, and there is an assumption that individuals will communicate honestly. Although it is crucial to be polite, it is generally conveyed explicitly with words instead of being assumed from the context (Interpersonal Communication Blog, n.d.).

Approach to Hierarchy

The UK follows an equalitarian attitude towards hierarchy. Although there is recognition for seniority, the overall organizational framework tends to be more adaptable. Managers often have the freedom to make decisions independently, leading to quicker and more individual-driven decision-making processes (Sekisui, n.d.).

Decision-Making Process

In the UK, decision-making may be more efficient and independent. Managers and executives frequently rely on their judgment and expertise when making decisions, requiring less extensive consultation. This could result in quicker execution; however, it might also lead to a lack of support from employees at lower levels of the company (bizzshifts-trends.com, n.d.).

Work-Life Balance

In the UK, importance is placed on maintaining a balance between work and personal life. Although hard work is important, it is also crucial to prioritize personal time and activities outside of work. Flexible work schedules and the opportunity to work remotely are increasingly prevalent, indicating a growing recognition of the importance of maintaining a work-life balance (WorkBeam, 2021).

Business Meetings

Business meetings in the UK tend to be less formal and encourage discussion. Although a framework exists, there is typically greater adaptability in the schedule, with attendees being urged to share their viewpoints and participate in conversations. Decisions can be expedited, and meetings are frequently viewed as an opportunity for resolving issues and fostering creativity (S, 2024).

Relationship Building

In the UK, although relationship building holds significance, it tends to be more closely connected to business operations. Networking events, business lunches, and casual meetings are typical methods for establishing connections, however, business-related topics are often brought up sooner (Commisceo Global, n.d.).

Conflict Resolution

In the UK, conflict is more inclined to be confronted head-on. Frequent open dialogues and negotiations are typical, with an emphasis on seeking a feasible resolution. Even though it is important to behave professionally and respectfully, people are not usually as worried about avoiding conflict (BCCJ, 2024).



Source: (<https://blog.btrax.com/japanese-business-etiquette-to-build-trust/>)

Japan



Capital	Tokyo
Area	377,975 km ² (145,937 sq. mi)
Population	123,970,000
Time Zone	UTC+9 (JST)
Drives on	Left
Currency	Japanese Yen (¥) JPY
GDP	Total ▼ \$4.070 trillion (4th) Per capita ▼ \$32,859 (30th)

Communication Style

In Japanese culture, communication is typically indirect and relies heavily on non-verbal signals, context, and implied messages. This method contributes to preserving peace and preventing conflicts. Silence is a potent instrument in Japanese interaction, enabling contemplation and deliberation (Tabata & Vrij, 2022).

Approach to Hierarchy

Hierarchy and seniority are highly valued in Japanese business culture. Reverence for authority figures and older individuals is deeply rooted, and decisions frequently necessitate consent from those of higher rank. The decision-making process may be delayed by the hierarchical structure, as agreement is needed from various levels (Planet Depos, n.d.).

Decision-Making Process

In Japan, the decision-making process usually involves all stakeholders in a collective procedure known as "ringi," where proposals are shared for approval. This makes sure that all opinions are considered, leading to a feeling of ownership and dedication to the ultimate choice. Nevertheless, this procedure may take up a significant amount of time (Tamaki, 2021).

Work-Life Balance

Japanese workers are recognized for their intense dedication to work and propensity for working extended periods of time. The idea of "karoshi," which refers to death caused by excessive work, demonstrates the intense commitment some employees have towards their jobs. Interacting with coworkers outside of work hours is a typical practice and is viewed as a continuation of the workday, facilitating the development of relationships and team unity (Santillanes, 2023).

Business Meetings

In Japan, meetings are typically formal and organized, emphasizing the importance of establishing relationships and reaching agreements. Being on time and prepared is essential for all participants. Normally, the schedule is adhered to and decisions are seldom made spontaneously; rather, meetings are utilized for discussion and collecting feedback (Export to Japan, 2023).

Relationship Building

Establishing trust and maintaining long-term relationships is a fundamental aspect of Japanese business practices. First encounters might centre around building a rapport rather than delving into business matters. Giving gifts and socializing outside of the workplace are typical ways to enhance relationships and are known as “nomu” in Japan (Saephan, 2019).

Conflict Resolution

In Japan, people often steer clear of conflict to preserve peace and unity. Disagreements are usually dealt with subtly and indirectly. The focus is on discovering a resolution that maintains relationships and dignity for everyone affected (Hamilton, 2019).



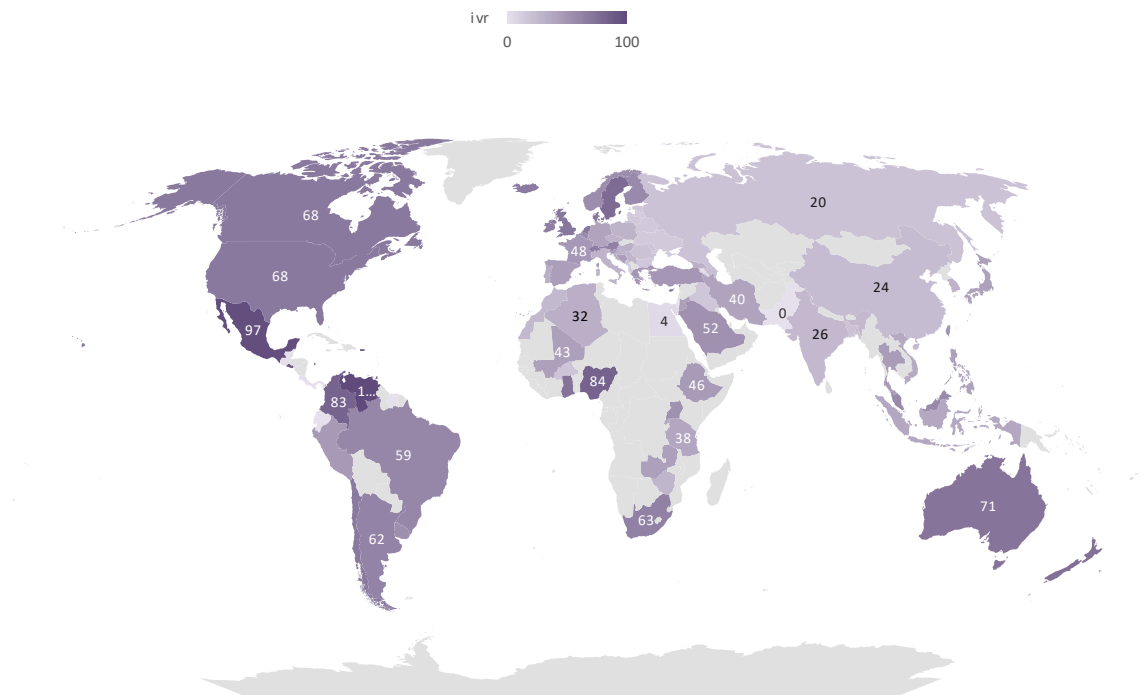
Source: (<https://planetdepos.com/trending/content/japanese-business-etiquette>)

UK vs Japan – Hofstede's Dimensions of Organisational Culture

By utilizing data provided by Hofstede's website and his cultural dimensions model, we are able to analyse the cultural variances between the UK and Japan in six main dimensions (Hofstede, n.d.).

Individualism vs. Collectivism

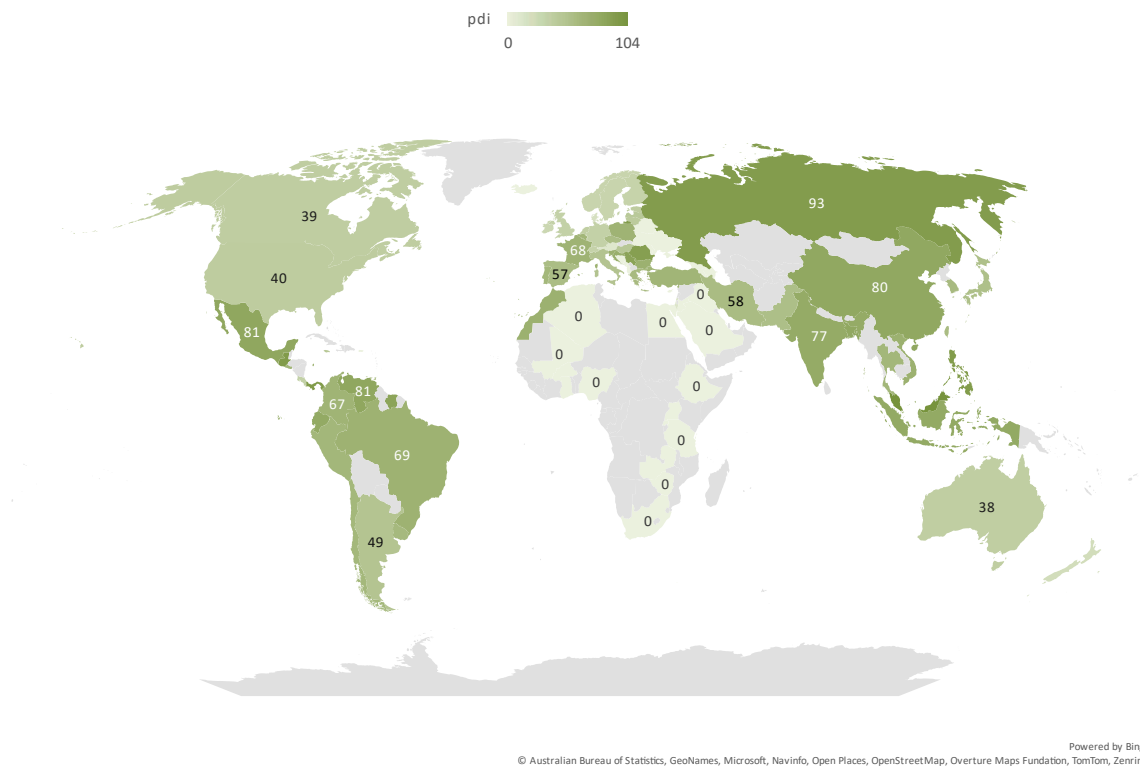
UK	Score	Japan
Ranks extremely high in individualism with a score, highlighting the importance of personal freedom, individual rights, and self-sufficiency. Individuals are anticipated to take care of themselves and their close relatives.	69 / 42	Scoring higher in collectivism, with less emphasis on individualism. Group unity, dedication, and agreement are greatly esteemed, with individuals frequently placing group objectives above their own personal aspirations.



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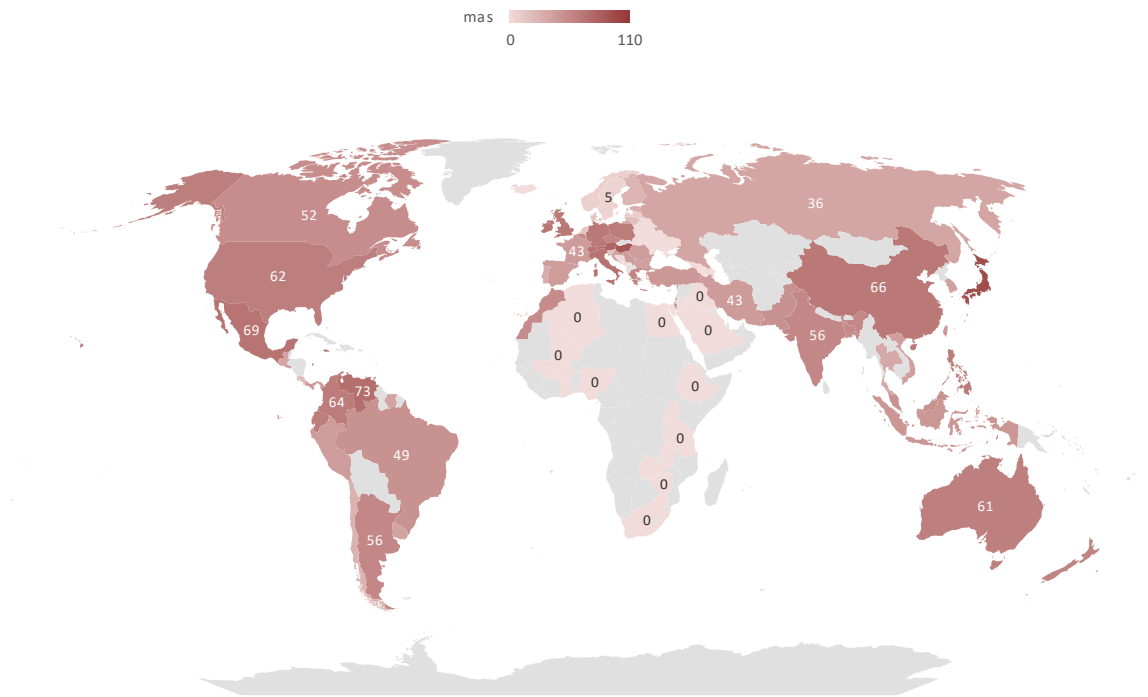
Power Distance

UK	Score	Japan
A low score on power distance suggests a preference for equality and a decentralized approach to power. Hierarchies are present, but they are commonly viewed as a convenience rather than a rigid framework.	35 / 54	Higher scores on power distance indicate a culture that is more accepting and respectful of power differences, representing a hierarchical society. Authority and experience are important factors in organizational hierarchies.



Masculinity vs. Femininity

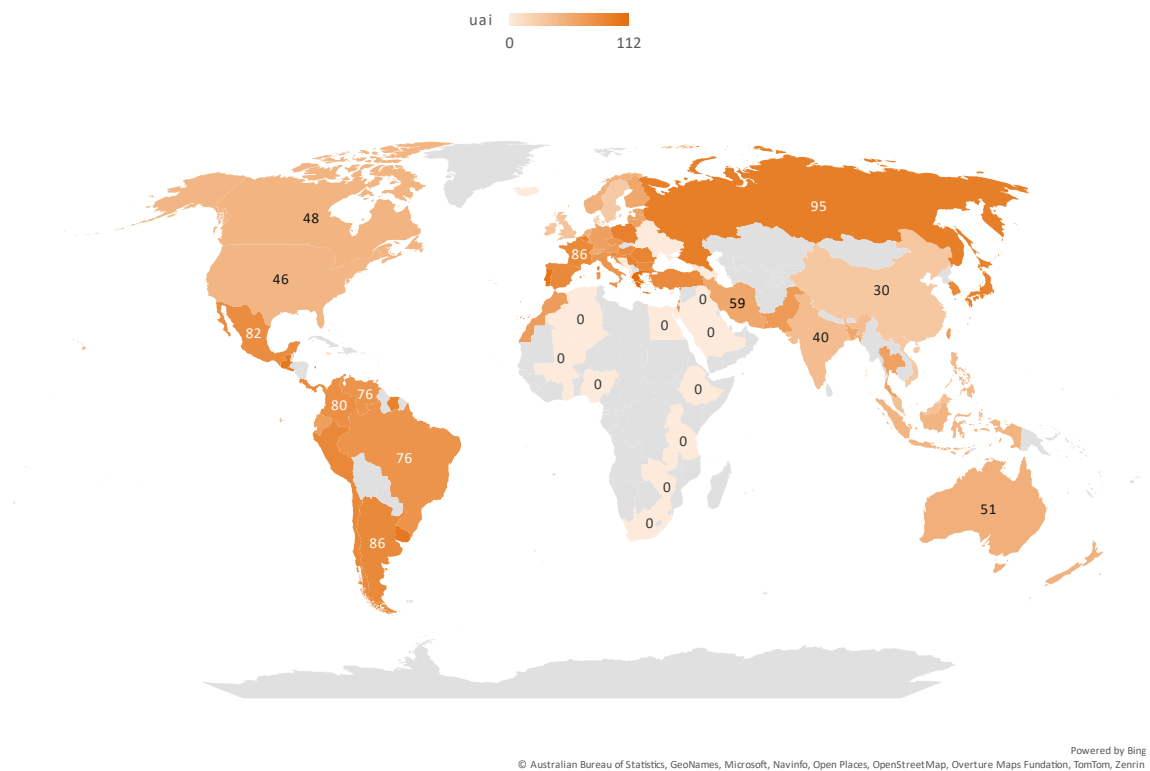
UK	Score	Japan
Scores moderately high on masculinity, which suggests a culture that prioritizes competition, accomplishment, and prosperity. Performance and material rewards are emphasized.	66 / 95	Ranks extremely high in masculinity, among the highest globally. This shows a clear focus on competition, accomplishment, and prosperity, along with defined gender roles and expectations.



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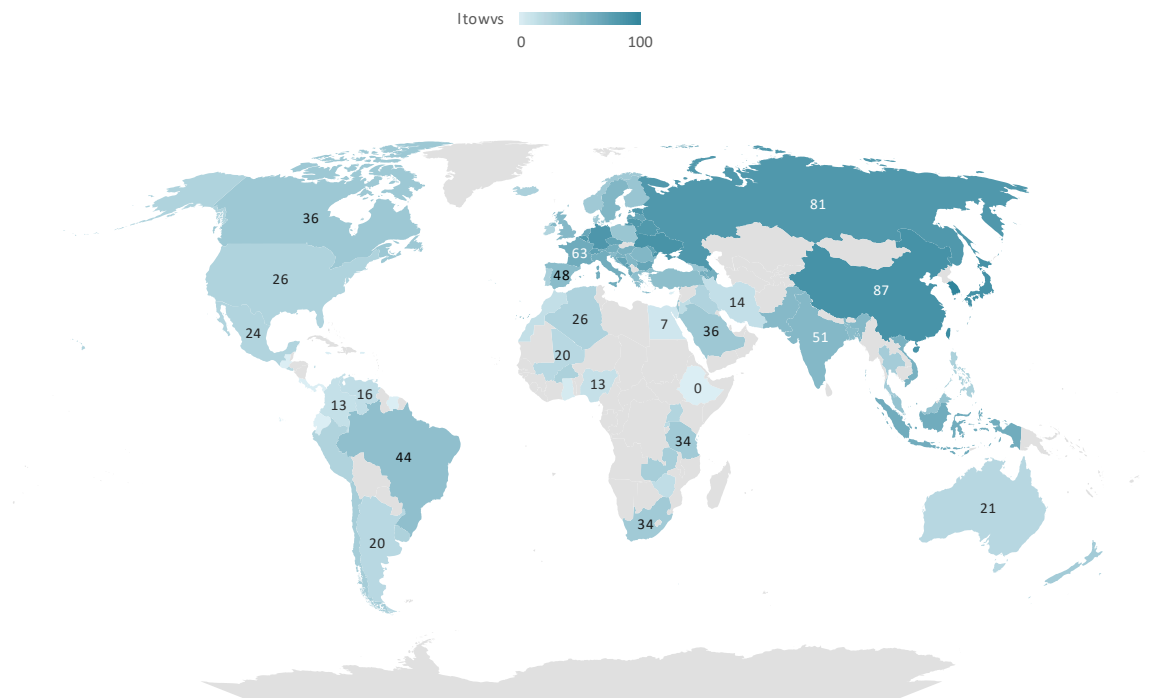
Uncertainty Avoidance

UK	Score	Japan
Shows a lower score in uncertainty avoidance, indicating a more laid-back approach towards ambiguity and uncertainty. There is greater acceptance of innovation and taking risks.	35 / 92	Achieves a high score in uncertainty avoidance, showing a strong favour for rules, stability, and predictability. There is significant anxiety surrounding uncertainty, prompting careful planning and aversion to risk.



Long-Term Orientation vs. Short-Term Orientation

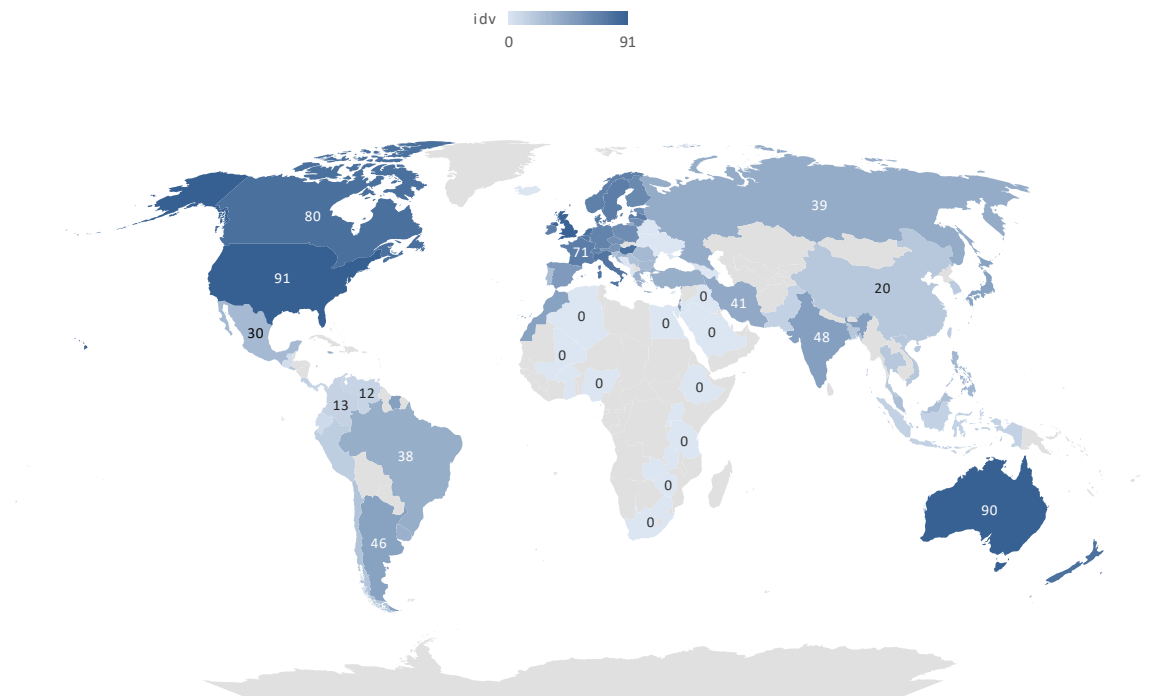
UK	Score	Japan
Achieves a moderate score in long-term orientation, striking a balance between valuing traditions and welcoming innovation. Future planning has a practical approach.	51 / 88	Receives a high score in long-term orientation, indicating a strong emphasis on future benefits, determination, and frugality. Long-term strategy and consistent dedication are greatly appreciated.



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Indulgence vs. Restraint

UK	Score	Japan
Ranks well in indulgence, reflecting a culture that prioritizes relaxation, pleasure, and satisfying cravings. There is optimism towards life and an emphasis on enjoying oneself.	89 / 46	Scoring higher on restraint than on indulgence. There is a tendency to restrict indulgence in desires and an emphasis on adhering to strict social norms and regulations.



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These cultural aspects underscore the core distinctions between the UK and Japan, which can greatly affect business communication and interactions. Having knowledge of these variances can aid in managing cross-cultural relationships with greater success (Hofstede, n.d.).

Previously Encountered Obstacles & Barriers

Issues between Japanese and UK business communication can often surface in real-life situations, where cultural, linguistic, and business practice disparities converge. Here are a few particular instances of difficulties that have been documented or witnessed in real business environments:

Misunderstanding of Direct vs. Indirect Communication

Example: Toyota faced a major obstacle when venturing into the UK during the 1980s due to the varying communication methods. Japanese Toyota executives, accustomed to a consensus-driven and indirect style, frequently refrained from providing straightforward criticism or making prompt choices. British managers, accustomed to clearer communication, were frustrated by what they perceived as unclear or hesitant decision-making, which caused delays and mismatched expectations in project schedules. Cross-cultural training was utilized to align communication styles and expectations to resolve the issue (Pardi, 2005).

Challenges in Negotiation and Decision-Making

Example: Sony, a prominent Japanese electronics corporation, encountered difficulties in the UK while discussing collaborations and shared business ventures. Japanese leaders, who prioritize agreement and often spend time carefully discussing before deciding, occasionally causing delays when dealing with UK colleagues who are accustomed to quicker and more definite results. In some instances, UK businesses found the extended decision-making process frustrating and inefficient as they sought faster decisions and clearer agreements, resulting in misunderstandings and missed opportunities (UK Parliament, 1998).

Cultural Differences in Business Etiquette

Example: When Mitsubishi, a prominent Japanese corporation, initially tried to improve its business connections with UK firms, they faced a problem with exchanging business cards at the company. In Japan, exchanging business cards is a ritual that involves using both hands, examining the card closely, and showing respect for it. Nevertheless, business card exchanges in the UK are generally more relaxed and casual. In a top-level London meeting, a senior Japanese leader felt insulted when his British colleagues did not show the usual respect for his business card, causing strain in a potentially fruitful partnership. Later on, both parties addressed this confusion by having conversations regarding cultural variations in business manners (Rizvi, 2024).

Language and Translation Issues

Example: Nissan and UK dealers experienced communication problems in the 1990s. Japanese managers at Nissan would transmit marketing and training resources to their UK colleagues translated into English, yet these materials frequently lost the subtle nuances present in the original Japanese language. Excessively polite or indirect phrases often caused misunderstandings and occasionally resulted in misinterpreting product features or marketing strategies. UK dealers struggled to grasp the actual message or urgency of some marketing campaigns due to communication discrepancies, resulting in a mismatch in sales efforts (Quelch, 1994).

Time Zone and Scheduling Conflicts

Example: A British investment bank working with a Japanese partner in Tokyo encountered major communication obstacles because of the time zone disparity. Due to the time difference between Japan and the UK, scheduling meetings for important discussions proved to be challenging. At times, meetings were arranged late in the evening in the UK to suit the Japanese team, resulting in decreased focus and involvement from the UK team, resulting in delays and frustration for both parties. This obstacle was especially difficult in quickly moving financial settings where prompt decisions were crucial (Simon, 2013).

Hierarchy and Organizational Structures

Example: Hitachi, a Japanese multinational conglomerate, faced difficulties when implementing its hierarchical corporate structure at its UK-based subsidiary. In Japan, hierarchy greatly impacts the company's decision-making processes, as senior leaders ultimately make many of the decisions. In the UK, employees are typically given more autonomy in decision-making and hierarchy is less important. British workers at Hitachi's office in the UK occasionally felt disappointed because they believed they didn't have enough control over decision-making. This resulted in problems regarding productivity, morale, and even retention, as employees found it challenging to adjust to the authoritative approach (Hitachi, 2021).

These illustrations highlight how real-world business interactions between the UK and Japan can be influenced by cultural, linguistic, and practical distinctions. Facing these difficulties demands consciousness, tolerance, and a dedication to understanding and adjusting to one another's business methods.



Source: ([TOSHIBA AND BT NAMED BEST UK-JAPAN PARTNERSHIP AT BRITISH BUSINESS AWARDS 2022 | News | TOSHIBA DIGITAL SOLUTIONS CORPORATION](#))

Suggested Approach

In order to avoid issues in business communication, “Revolut Ltd.” and “Sompo Japan Nipponkoa Insurance Inc.” need to recognize and adjust to one another's cultural customs. “Revolut Ltd.” should avoid being too straightforward and have a grasp on the nuanced and indirect communication approach of their Japanese counterparts. Having patience is crucial because decision-making in Japan is focused on consensus and can be a longer process. Punctuality is crucial in both societies; however, “Revolut Ltd.” should emphasize on the importance of being prompt for meetings with “Sompo Japan Nipponkoa Insurance Inc.”. “Sompo Japan Nipponkoa Insurance Inc.” needs to make sure they communicate in clear, straightforward way to prevent any possible misinterpretations and take into consideration language obstacles. Establishing trust and cultivating relationships should be the main focus in Japan before initiating business talks. Even though gift-giving is valued in Japan, “Revolut Ltd.” should be careful and not feel obligated. Finally, it is important for both parties to be flexible in their communication, show respect for hierarchy and formality, and pay attention to non-verbal cues in order to enhance collaboration and prevent misunderstandings.

Through the use of cultural communication models such as Hofstede's dimensions and theories on high-context versus low-context, “Revolut Ltd.” and “Sompo Japan Nipponkoa Insurance Inc.” can enhance their comprehension of these distinctions and create tactics to connect the divide. Just like Toyota, Sony, and Mitsubishi demonstrated, promoting understanding, compassion, and flexibility can transform possible disputes into chances for development and creativity.

For collaborations to succeed, it's crucial for “Revolut Ltd.” and “Sompo Japan Nipponkoa Insurance Inc.” to dedicate resources to cross-cultural training, set up effective communication methods, and be willing to adjust practices to respect the cultural values of all involved. Fostering mutual respect and understanding will not only improve teamwork and productivity but also establish enduring trust-centred relationships (Loritz, 2018). In today's interconnected global economy, it is essential to excel in intercultural communication for lasting success.

Conclusion

Communicating effectively between different cultures, such as UK and Japanese businesses, presents both challenges and opportunities. The complexities of intercultural collaboration are highlighted by the variations in communication styles, hierarchical structures, decision-making processes, and business etiquette across different cultures. Misunderstandings may occur due to differences in communication styles, conflict resolution methods, or expectations of formality and respect in business interactions. Constantly evolving society and technology, requires constant adaptation of the people and companies in the way they interact. These obstacles, nonetheless, can be overcome with the use of proven methods, new technologies and communication training exercises. If both sides are willing to work together and adapt to each other's differences, they will establish the groundwork for what might be a long and fruitful bridge between both businesses and cultures.



Sompo Japan
Nipponkoa

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