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Assignment 1 – Essay

“ GlaxoSmithKline & Takeda Pharmaceutical Company
– Cultural Differences and Communication Styles”

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Introduction

Cross-cultural interaction becomes even more significant in international business undertakings where two or more countries such as the UK and Japan are involved in business partnerships. In this text, I will try to determine how communication style differences between **GlaxoSmithKline**, an international pharmaceutical company based in the UK, and **Takeda Pharmaceutical Company**, a prominent Japanese firm, pose fundamental difficulties for their joint operations' success. Addressing these cultural conflicts, this study draws from existing intercultural frameworks to devise more efficient strategies for their resolution and active engagement in cross-cultural communication.

GSK and the Takeda Pharmaceutical Company are going together in a strategic partnership to expand the boundaries in the development of new drugs and new vaccines. Both organisations are leaders in their industry, however, their cultures are rather different. The UK business culture as exemplified in GSK is one where communication is straightforward and personal responsibility is taken with low context (Ting Sheng Lim and Jacqueline Urakami, 2018). Takeda, on the other hand, works under a low-context communication style that is high in context which is very typical of Japan where interactions are indirect and subtler but consider group relations and the hierarchy (C. I. Iqbal, 2018). These divergences require purposeful actions for the enhancement of understanding and cooperation.

This essay aims to analyse the communication patterns of two teams from the United Kingdom and Japan, their culture, heritage, and how they apply to practice in the context of business. By utilising Hofstede's cultural dimensions will look at the effects of such differences and possible solutions to them. Such a perspective emphasizes the need for cultural competence to be able to work effectively across borders (Tupan, 2022).

Overview of the Companies

GlaxoSmithKline (GSK) is an international pharmaceutical company headquartered in the United Kingdom that is trustworthy and has made great strides in the health industry. The enterprise is active in over 100 nations and seeks to create vaccines, patents, medicines, and sanitary healthcare products. GSK's persistence towards innovation is reinforced through outlay directed to R&D, which has seen advancements in immunology, oncology, and infectious diseases (Shoyo Shibata et al., 2020).

Takeda Pharmaceutical Company, which is based in Japan, has reached prominence as a biopharmaceutical company and has been working for two hundred years in this industry. The company's mission, vision and values include, above all, focus on the patients, innovation and preparations for the strategic partnership. Takeda is focused on oncology, gastroenterology, and rare diseases. In addition, the company has built its promotion through a network of strategic alliances (Takashi Amijima, 2019).

Business Environment

The pharmaceutical industry is essentially global, guided by the objective of fusing diverse resources in order to solve complicated health problems. GSK and Takeda are among companies that partner across borders to leverage a multiplicity of skills and share research and development costs. Such a globalization strategy is important for meeting the increasing demand for new therapies and reaching new uncharted territories (W. Comanor, 2022).

Attempts to form cross-border partnerships invariably lead to further managerial implications as regards the regulation of the organization in various jurisdictions and cultures. Communication is essential in achieving the same goals, complying with all the relevant requirements and ensuring stakeholder confidence (Kawahara, 2021).

Cultural Context

Certain aspects set apart how the business culture operates within the UK. They include; straight talk, personal responsibility of the employees and tendency to concentrate on achieving goals. Most of the time, decision-making authority is delegated, and every worker is encouraged to take action. These values are consistent with GSK's organisational strategies of seeking efficiency and creativity (Shoyo Shibata et al., 2020).

Japanese business culture for example that of Takeda, provides a different environment where members prefer avoiding confrontation, making decisions through group support and respect for authority. There is a tendency to put value for relationships above personal accomplishment, which usually leads to slow, thorough and careful decision-making processes (Iqbal, 2018).

The difference in culture between these two approaches stresses the need for specific communication methods in strategic alliances like that of GSK and Takeda. These techniques have to be designed to meet the requirements posed by the differences in communication channels, decision making and other aspects of the culture to be able to enhance the success of the partnership.

Introduction to Hofstede's Theory

Hofstede's framework is a widely recognised tool for understanding cultural differences in a business context. Key dimensions include:

1. Individualism vs. Collectivism: Individualism betrays the UK as it scores and appreciates progress at an individual level. Japan on the other hand is more collectivist since group focus is more encouraged than individualistic achievements (Cicea et al, 2022).

2. Power distance: Japanese culture has more power distance where hierarchy dependency is accepted while the UK tends to favour structures where responsibilities and authority are distributed across a wider range of people.

3. Uncertainty Avoidance: Japanese uncertainty avoidance is high and the tendency to take risks is low. UK on the other hand has a moderate tolerance towards ambiguity and a slightly higher approach towards risk disposition (Cicea et al., 2022).

4. Masculinity vs. Femininity: Japan scores higher both in this direction and therefore, more on competition and work ethic. As a result, conflicting expectations regarding work priorities may exist (Yamamoto and Lloyd, 2019).

5. Long-Term vs. Short-Term Orientation: Japan's preference for the long term leaves its people patient and 'sustainable' while the UK is comfortable striking both short and long-term balance between the two. Tension can occur when fluctuation in expectations between leader and followers (Kitamura, 2021).

6. Indulgence vs. Restraint: This explains the difference in the UK's higher indulgence score compared to Japan's since the UK's culture is more relaxed and overlooks the balance of work and personal life, unlike Japan's restrained culture that focuses a lot on self-discipline and societal norms (Sasaki et al., 2020)

The framework is essential for evaluating possible problems in GSK-Takeda cooperation. For example, the individualistic culture of GSK may conflict with Takeda's collectivistic decision making approach causing delays in expectation of seemingly similar ideas. Similarly, Japanese high-context communication may lead UK stakeholders to

misunderstand interactions as straightforward and obvious without any verbal undertakings (Cicea et al., 2022).

Hofstede's dimensions also account for the differences in degree of hierarchy, having a broad outlook. Takeda's stratum model may not work well with GSK because GSK has more flat hierarchies, which will affect collaborative decision-making. Also, it is part of Japan's nature to avoid risk due to uncertainty which could be a limitation towards GSK's prompt when willing to try new but risky ways.

Communication Differences

UK Communication Style

In the UK, the predominant mode of communication is direct, explicit and task-oriented. Typical British business cultures tend to favour clarity and the expression of the aim and the expectations in rather simple words. This exemplifies a low-context communication setting, where words are the predominant source of meaning rather than the unspoken or circumstantial codes of meaning (Iqbal, 2018). There is pressure to be deliberate and succinct, with an expectation to resolve challenges and achieve tasks swiftly. Non-teams or groups are also charged to deliver and account for activity, which is also a key pillar for the British working environment. This approach aids in speedy decision-making and accords with the cultural ethos of individualism that the UK embraces (Li and Berger, 2018).

Japanese Communication Style

However, communication for the Japanese is the opposite: it's indirect, implicit and with emphasis on relationships. For conversation, factors such as non-verbal communication, contextual space and cultural practices such as Aizuchi (back-channelling) are critical. This style of a high degree of context encompasses shared experience and knowledge of the particular culture since not everything is clearly said- as seen in some cultures (Iqbal, 2018). People are respectful and polite and are in conflict only when necessary for the group. This approach corresponds to the collectivist orientation cultivated in Japan – achieving group goals is preferred to individual ones.

In Japanese companies, the decision-making process is sequential, with subordinates turning to many levels of senior management for approval. Known as Horenso, this consultative procedure encourages errors in consensus and timing, but errors are less common (Kitamura, 2021). Also, Japanese workers are more risk-averse, they do not implement change unless there is a concrete plan that has gone through numerous rounds of scrutiny.

Potential Challenges

1. Misunderstandings in Directness

The British assertiveness style can be overemphasized when dealing with Japanese parties who prefer indirect means of communication. British specialists may think their Japanese colleagues are too hesitant or vague. However, Japanese teams may consider British assertiveness to be too direct, even rude (Li and Berger, 2018).

2. Differing Decision-Making Approaches

One of the most pronounced contrasts of British businesses with their Japanese counterparts is probably the organisational structure. Whereas the British manager anticipates decision-making to be left unsupervised and instantaneous, the Japanese one anticipates slow-paced decision-making with thorough cross-checking. This difference can be a source of irritation. The stakeholders in the UK will see the procedure as taking more time than necessary. Whereas, the Japanese teams tend to see decisions taken by their British counterparts as either hasty or without being fully thought through (Kitamura, 2021).

3. Risk Tolerance Differences

The acceptable level of uncertainty by UK standards encourages flexibility and creativity thus permitting teams to pursue new approaches amid uncertainty. Japan can take its time to embark on collaborative projects because of its rigid rules on mitigation plans. Such discrepancies may affect how the timelines and possible scopes of work are synchronized (Iqbal, 2018).

To bridge these cultural gaps, GSK and Takeda can implement several strategies:

- **Cultural Training:** Providing employees with training on high-context and low-context communication can foster mutual understanding.
- **Adapted Communication Protocols:** Encouraging Japanese teams to provide more explicit feedback and British teams to practice patience in discussions.
- **Hybrid Decision-Making Models:** Combining hierarchical and flat structures to create a balance between efficiency and thoroughness.

By recognizing and addressing these differences, both organisations can enhance collaboration and achieve their shared objectives.

Application of Hofstede's Theory in Business

Hofstede's Dimensions

Individualism vs. Collectivism

The empirical evidence shows that the management culture of GSK is individualistic. GSK being a UK-based company encourages its employees to take responsibility as individuals. This is in contrast with Takeda Pharmaceutical's approach which is more collectivist, emphasizing team recognition rather than an individual (Cicea et al., 2022). These differences can also be observed in working on team projects, where for example GSK would expect a faster approach with an individual being the deciding factor, while Takeda would take a more broad-based and consensus approach. Such divergences in expectation can slow down progress and bring about a sense of dissatisfaction.

Uncertainty Avoidance

Japan's cultural style encourages risk aversion and values the preparation of plans in advance. Takeda's cultural pattern tends to be analysis of the situation and making the decision with consideration of several factors, which is opposite to GSK's low uncertainty avoidance and tendency towards risk-taking (Koyama, 2022). This discrepancy can limit interaction in fusing processes which in this case is R&D since there are considerable chances of delays in delivery due to the differences in risk appetites.

Power Distance

Japan's high PDI means that a lack of agency combined with a tendency to seek approval in hierarchical layers results in delays in decision-making. In contrast, GSK's lower PDI impels open discussions, which may create a state of frustration among employees of Takeda used to formal procedures (Cicea et al., 2022).

Masculinity vs. Femininity

Misaligned priorities can be due to differences in competitiveness. In Japanese teams, they may expect strong adherence to deadlines; in UK teams perhaps creative problem-solving over rigid adherence (Yamamoto & Lloyd, 2019).

Long Term vs Short Term Orientation

Japan's long orientation means companies are likely to have strategies that are built around long-term sustainability while GSK may want to define short-term milestones. These differences can cause project delivery expectation misalignments (Kitamura, 2021).

Indulgence vs. Restraint

GSK's indulgence culture might prioritise employee autonomy and work-life balance, whereas Takeda's restrained culture might emphasize discipline and societal expectations. The gap in this cultural may have an impact on team cohesion and morale (Sasaki et al. 2020).

Practical Solutions

1. Cultural Training for Employees

Training in cross-culture assists teams with knowledge of how to manage communication diversity. For example, GSK employees can be trained on non-verbal cues or on agreeing implicitly; the Takeda teams may be encouraged to be more straightforward and give clearer commands (Sasaki et al., 2020).

2. Leadership Style Adaptions

Leadership teams at GSK and Takeda can adopt flexible approaches that balance hierarchical and egalitarian practices. For example, incorporating Japan's middle-up-down management model allows for inclusive decision-making while maintaining efficiency (Koyama, 2022).

3. Developing Shared Norms for Collaboration

Creating unified meeting protocols that incorporate explicit and implicit communication expectations can bridge cultural gaps. This includes using hybrid communication methods, such as structured agendas with room for informal discussion, to cater to both cultural styles (Cicea et al., 2022).

4. Structured Decision-Making Frameworks

Adopting decision-making frameworks that combine Takeda's thorough risk assessments with GSK's proactive execution can optimize collaboration timelines. This hybrid approach ensures comprehensive planning without compromising agility (Yamamoto and Lloyd, 2019).

Employing Hofstede's dimensions and the high-/low-context framework illustrates the communication and organizational challenges that were experienced by GSK and Takeda. Cultural training, leadership adaptability, and shared values can be used for the benefit of the partnership in pursuing common objectives in diverse cultural settings.

Recommendations

In this particular context, GSK and Takeda will have to put in place a set of common communication rules that will accommodate the best practices from both cultures. Also, hybrid meeting models that combine formal briefings and casual discussions will be needed. Such cultural training must also take place continuously to allow employees to understand and respond to non-verbal communication and contextual messages. Another important factor in this area is the need for the leadership to be flexible and to combine elements of both hierarchy and egalitarianism in their decision-making. Placing more emphasis on these measures will allow the partners GSK and Takeda to exploit cultural differences to foster creativity and meet the goals that have been set.

Conclusion

GlaxoSmithKline (GSK) and Takeda Pharmaceutical Company's collaboration brings to attention important aspects of differences in communication styles due to the differing cultural contexts. There are individual and low context communication, which is GSK's basic style, and high context, indirect and collectivism, which is the default in Takeda. Such differences result in various issues including different individuals' understanding of the decision-making procedures, different people's understandings of the tacit consensus, or tolerances to risk. These differences may be evaluated through the lens of the cultural dimensions of Geert Hofstede and the high-context/low-context communication approach.

It is necessary to apply cultural theories in order to avoid misperceptions in the course of collaboration across cultures. The aspects of individualism vs collectivism and uncertainty avoidance that Hofstede identifies explain some of the underlying reasons why there are barriers to effective communication. Likewise, the high-/low-context cultures framework will also explain why the emphasis on an explicit message by GSK's is sometimes in conflict with Takeda's tendency to high-context cultures. When organisations use these theories, they can anticipate issues which would arise, and therefore resolve them before they occur, and make the cooperation run smoothly.

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