

Same difference. Doing business in Japan.

Every country has its own cultural peculiarities and some see these as a minefield of potential disasters. However, arming yourself with the knowledge of what to expect when going overseas to work, is invaluable and can ease frustrations and make the whole business enterprise more profitable and enjoyable.

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Doing business in Japan is similar to doing business anywhere in the world, with the addition of some significant cultural and language hurdles. Foreign business people visiting or operating in Japan are valued for the different perspective we offer. So while it is important to adapt to the local market, highlighting your 'foreignness' can also be an important business asset. Sure, Japanese people bow during greetings; however if it feels right, shake hands.

Successful business negotiation process is basically the same globally. There are always four steps – introduction, information exchange, negotiation and agreement. The difference lies in the emphasis placed on each stage of the process. In Western culture, we skip through the first two steps and focus on negotiation ('why my product is better'). In Japan, 80 per cent of the focus is on the first two stages (building relationship trust and knowledge). If you clear these steps you can segue pretty quickly through negotiation to conclude the business. Western businesses people can find this very frustrating, especially when the boss at home is calling every second day saying, "What do you mean you haven't even started discussing the deal yet!"

Westernized

Modern Japan has changed in recent years. In business terms, the Japanese are becoming a lot more

relaxed and, some would claim, more 'Westernised'. However, behind the scenes a locally-focused, insular streak remains pretty dominant in the business community. What you see on the surface is not always what you get.

To achieve success it is vital to deliver relevancy. To do this, I think it is pretty important to hold true to your business concept and strategy, while at the same time mesh it to the local market. Foreign business people who end up succeeding in Japan typically arrive here and say 'Okay, it worked for us in London, New York and Sydney, we'll use the same model for Tokyo, however let's localise the offering for the market'. So McDonalds in Japan is pretty much the

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same as McDonalds anywhere in the world, though the portions are smaller and they also sell teriyaki burgers.

Similar to anywhere in the world, there will always be naysayers who claim 'it will never work' or 'it can't be done'. Determination, persistence and patience are useful allies.

In negotiations with Japanese businesses, we find that agreeing on the smaller points – building consensus - before tackling the bigger issues is the best

way to approach problem solving.

Consensus

Integral to this is understanding that at Japanese meetings decisions are rarely made. Nine times out of ten you will find the meeting is being held for 'information' reasons (either giving or receiving), with all decisions made beforehand. In Japan it's called 'nemawashii' (literally the 'roots of a tree') or consensus building. This means your discussions/negotiations should take place before the meeting - so you are part of the 'nemawashi process' - not at that meeting!

Other people will say you must speak Japanese to achieve success here. Certainly it helps. However, it is not mission critical, especially in places such as Tokyo and in industries such as financial services and international trade. One of my business colleagues has been President of

a very successful firm in Tokyo for eight years and he can barely order a whiskey in Japanese.

Ultimately, Japanese business is done at a personal level. So it is all about building real relationships with real people. The same as anywhere in the world. It's easy to visit Japan and spot the differences in culture and style. However, identifying differences doesn't build bridges. Look for the similarities as they will form a much stronger basis for a quality relationship.