

DOING BUSINESS ABROAD - Japan

Facts and Statistics

Location: Eastern Asia, island chain between the North Pacific Ocean and the Sea of Japan / East Sea, east of the Korean Peninsula.

Capital: Tokyo

Population: 127,333,002 (July 2004 est.)

Ethnic Make-up: Japanese 99%, others 1% (Korean 511,262, Chinese 244,241, Brazilian 182,232, Filipino 89,851, other 237,914)

Religions: observe both [Shinto](#) and [Buddhist](#) 84%, other 16% (including Christian 0.7%)

Japanese Society & Culture

Understanding of Foreign Ways

Japanese understand that it is very difficult for foreigners to work in Japan.

They will not expect you to speak or read Japanese, or be conversant with their strict cultural nuances and protocol. Mistakes are allowed as long as genuine respect is shown at all times. They will usually try to help you but often feel embarrassment at their own lack of understanding or English language ability.

Relationships & Communication

The Japanese prefer to do business on the basis of personal relationships. In general, being introduced or recommended by someone who already has a good relationship with the company is extremely helpful as it allows the Japanese to know how to place you in a hierarchy relative to themselves. One way to build and maintain relationships is with greetings / seasonal cards. It is important to be a good correspondent as the Japanese hold this in high esteem.

Business Negotiation

The Japanese are non-confrontational. They have a difficult time saying 'no', so you must be vigilant at observing their non-verbal communication. It is best to phrase questions so that they can answer yes. For example, do you disagree with this? Group decision-making and consensus are important. Written contracts are required but the Japanese do not see contracts as final agreements so they can be renegotiated.

The Japanese often remain silent for long periods of time. Be patient and try to work out if your Japanese colleagues have understood what was said. Japanese prefer broad agreements and mutual understanding so that when problems arise they can be handled flexibly.

Using a Japanese lawyer is seen as a gesture of goodwill. Note that Japanese

lawyers are quite different from Western lawyers as they are much more functionary. Never lose your temper or raise your voice during negotiations. Some Japanese close their eyes when they want to listen intently. The Japanese seldom grant concessions. They expect both parties to come to the table with their best offer.

Business Meeting Etiquette

Appointments are required and, whenever possible, should be made several weeks in advance. It is best to telephone for an appointment rather than send a letter, fax or email. Punctuality is important. Arrive on time for meetings and expect your Japanese colleagues will do the same.

Since this is a group society, even if you think you will be meeting one person, be prepared for a group meeting.

The most senior Japanese person will be seated furthest from the door, with the rest of the people in descending rank until the most junior person is seated closest to the door. It may take several meetings for your Japanese counterparts to become comfortable with you and be able to conduct business with you.

This initial getting to know you time is crucial to laying the foundation for a successful relationship. You may be awarded a small amount of business as a trial to see if you meet your commitments. If you respond quickly and with excellent service, you prove your ability and trustworthiness.

Never refuse a request, no matter how difficult or non-profitable it may appear. The Japanese are looking for a long-term relationship.

Always provide a package of literature about your company including articles and client testimonials.

Always give a small gift, as a token of your esteem, and present it to the most senior person at the end of the meeting. Your Japanese contact can advise you on where to find something appropriate.

Greetings in Japan are very formal and ritualized. It is important to show the correct amount of respect and deference to someone based upon their status relative to your own. If at all possible, wait to be introduced.

It can be seen as impolite to introduce yourself, even in a large gathering.

While foreigners are expected to shake hands, the traditional form of greeting is the bow. How far you bow depends upon your relationship to the other person as well as the situation. The deeper you bow, the more respect you show.

A foreign visitor ('gaijin') may bow the head slightly, since no one expects foreigners to generally understand the subtle nuances of bowing.

Gift Giving Etiquette

Gift-giving is highly ritualistic and meaningful.

The ceremony of presenting the gift and the way it is wrapped is as important--sometimes more important--than the gift itself.

Gifts are given for many occasions. The gift need not be expensive, but take great care to ask someone who understands the culture to help you decide what type of gift to give.

Good quality chocolates or small cakes are good ideas. Do not give lilies, camellias or lotus blossoms or any white flowers as they are associated with funerals.

Give items in odd numbers, but not 9.

If you buy the gift in Japan, have it wrapped. Pastel colours are the best choices for wrapping paper.

Gifts are not opened when received.

The Japanese and 'Face'

Saving face is crucial in Japanese society. The Japanese believe that turning down someone's request causes embarrassment and loss of face to the other person.

If the request cannot be agreed to, they will say, 'it's inconvenient' or 'it's under consideration'. Face is a mark of personal dignity and means having high status with one's peers.

The Japanese will try never to do anything to cause loss of face. Therefore, they do not openly criticize, insult, or put anyone on-the-spot. Face can be lost, taken away, or earned through praise and thanks

Japanese Non-Verbal Communication

Since the Japanese strive for harmony and are group dependent, they rely on facial expression, tone of voice and posture to tell them what someone feels.

They often trust non-verbal messages more than the spoken word as words can have several meanings.

The context in which something is said affects the meaning of the words. Therefore, it is imperative to understand the situation to fully appreciate the response.

Frowning while someone is speaking is interpreted as a sign of disagreement.

Most Japanese maintain an impassive expression when speaking.

Expressions to watch out for include inhaling through clenched teeth, tilting the head, scratching the back of the head, and scratching the eyebrow.

Non-verbal communication is so vital that there is a book for 'gaijins' (foreigners) on how to interpret the signs!

It is considered disrespectful to stare into another person's eyes, particularly those of a person who is senior to you because of age or status.

In crowded situations the Japanese avoid eye contact to give themselves privacy.

Japanese Hierarchy

The Japanese are very conscious of age and status. Everyone has a distinct place in the hierarchy, be it the family unit, the extended family, a social or a business situation.

The oldest person in a group is always revered and honoured. In a social situation, they will be served first and their drinks will be poured for them.

Business Cards

.Business cards are exchanged constantly and with great ceremony. Invest in quality cards. Always keep your business cards in pristine condition. Treat the business card you receive as you would the person.

You may be given a business card that is only in Japanese.. It is wise to have one side of your business card translated into Japanese. Give your business card with the Japanese side facing the recipient.

Make sure your business card includes your title, so your Japanese colleagues know your status within your organization.

Business cards are given and received with two hands and a slight bow. Examine any business card you receive very carefully. During a meeting, place the business cards on the table in front of you in the order people are seated. .When the meeting is over, put the business cards in a business card case

Temple & Co Commercial, Solicitors in Daventry, work to assist UK businesses enter the Jaapanese market.

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