



**MANAGEMENT GEOGRAPHY**

WE SHARE KNOWLEDGE ON MANAGEMENT &  
GEOGRAPHY AND CONSULT ABOUT  
MANAGEMENT RELATED ISSUES IN THE GLOBAL  
ECONOMY AND SOCIETY.

The current issue and full text archive of this online  
journal is available at [www.mangeo.org](http://www.mangeo.org)

**Chinese entrepreneur's success in Japan: Case study on cross-cultural  
management in relational space -From the perspective of proximity-**

WANG Xuesong, M.A.

ManGeo Research Laboratory, College of Business Administration, Ritsumeikan  
University, [gr0615hs@ed.ritsumei.ac.jp](mailto:gr0615hs@ed.ritsumei.ac.jp)

March 2025



WORKING PAPER #04

## Contents

<b>1.Introduction.....</b>	<b>3</b>
<b>2.Methodology .....</b>	<b>4</b>
<b>3. Results .....</b>	<b>5</b>
<b>3.1Space analysis of Mr.Z over time .....</b>	<b>5</b>
<b>3.2 Proximity analysis of Mr.Z over time.....</b>	<b>8</b>
<b>3.3Proximity influences cross-cultural management skills.....</b>	<b>9</b>
<b>4.Discussion .....</b>	<b>14</b>
<b>Reference .....</b>	<b>15</b>



## 1. Introduction

In an increasingly globalized world, it is of great importance to discuss entrepreneurs' cross-cultural management in relational space. Boschma (2005) explained that there are five different forms of proximity—geographical, cognitive, institutional, social, and organizational—and emphasized the need for a dynamic approach, finding that geographical proximity may reinforce other forms over time and that proximity can have both positive impacts on innovation (by solving coordination problems) and negative impacts (due to lock-in). According to Menzel (2015), five dimensions of proximity—geographical, cognitive, institutional, social, and organizational—help clarify the mechanisms that address coordination challenges in inter-organizational collaborations. Straubhaar (2003, p85) emphasizes cultural proximity as the tendency to prefer media products from one's own culture or the most similar culture. The importance of location is underscored by Tissen et al. (2008), who argue that "space" extends beyond an organization's internal physical environment to encompass how organizations relate to one another and to their broader context. Moreover, proximity reduces uncertainty and facilitates interactive learning and innovation (Boschma, 2005, p61). Effective knowledge transfer does not necessarily require close trust-based interactions; geographical proximity alone can enable local agents to monitor each other easily (Malmberg, 2002, p439). In real estate development, the mantra of "location, location, location" remains paramount (Czinkota et al., 1996). Distance between countries can manifest along cultural, administrative, geographic, and economic dimensions, each affecting business differently. For instance, geographic distance impacts transportation costs and must be considered alongside information networks and transportation infrastructure when assessing cross-border economic activity (Ghemawat, 2001). The external dimension of proximity highlights an organization's influence beyond its physical boundaries, such as the location of workers' settlements, while the internal dimension focuses on the spatial distribution of workers within the organization (Chanlat, 2006).

In the context of Chinese entrepreneurs, the concept of *guanxi*—relationships and social networks—plays a crucial role. A reliable host country advisor familiar with the local market is vital for Chinese managers operating in Japan. Cultural intelligence can enhance *guanxi* networking, generating social benefits like trust and information (Schlunze et al., 2015, p13). Social capital is the contextual complement to human capital while human capital refers to individual ability, social capital refers to opportunities. A manager's network provides access to information well beyond what he or she could process alone. It provides that information early, which is an advantage to the manager act on the information (Burt, 1997). Having a reliable host country advisor who is knowledgeable about the workplace and market is most important within the *guanxi* network of Chinese managers doing business in Japan. It appears that Cultural Intelligence in Chinese managers affects *guanxi* networking positively (Schlunze, 2012). Ang et al. (2003) pointed out that Cultural Intelligence (CQ) reflects a person's adaptation to new cultural settings and capability to deal effectively with other people with whom the person does not share a common cultural background and understanding. CQ can be thought to consist of three fundamental components: cognitive, a person's ability to develop patterns from cultural cues; motivational, or a person's desire and directed effort to engage others and follow through; and action, or a person's capability to appropriately enact selected behavior in accordance with cognition and motivation. Ang et al. (2007) found that motivational CQ reflects the capability to direct attention and energy toward learning about and functioning in situations characterized by cultural differences.

Previous literature pointed out that networking, proximity, CQ are very important. However, there are relatively few case studies on proximity, and research on the relationship between proximity, entrepreneurs' cross-cultural skills, and networking remains limited. To guild this exploration, the following research questions are posed:

- 1) How does proximity influence the development of management skills in relational space?
- 2) How does proximity influence networking strategies, and what effects do these have on managerial sustainability?

By examining the impact of proximity on a Chinese entrepreneur succeeding in Japan, this study provides a deeper understanding of the developmental processes of different types of proximity, offering a more concrete representation of their dynamics. In doing so, it contributes insights and recommendations for understanding the evolution of entrepreneurial management within the framework of relational space in geography.

## 2. Methodology

The research conducted semi-structured interviews with a Chinese entrepreneur in Japan with cross-cultural experience. The sample of this study is a Chinese entrepreneur-Mr.Z. His educational background includes undergraduate studies in Japanese at Beijing Normal University, followed by a master's degree in economics from Seijo University. He played diverse roles, including working as a steelworker in Beijing, serving as a translator and consultant for the government, and later founding an IT company and a language school in Japan. With over 39 years of experience in the IT industry, Mr. Z has also managed a human resource dispatch business with over 120 members. The data for this study was collected through two rounds of interviews. The first round took place during the 2013-2015 JSPS Research Project (No. 22520809), where the interviews were recorded and transcribed by my professor. A follow-up interview was conducted on July 5, 2024, by me, at Ritsumeikan University's Osaka Ibaraki Campus (OIC), where additional insights were gathered and organized into transcripts.

Following approaches are used in this essay:

- 1) Based on the concept of proximity, various charts were designed to illustrate the dynamic changes in Mr. Z's proximity over time.
- 2) Using the analytical framework from my MA thesis on Mr. Z's cross-cultural skills, this study incorporates proximity theory to examine its influence on his development of cross-cultural ability.
- 3) Using the network map of Mr. Z, which was conducted using software-vennmaker in my MA thesis, with proximity analysis integrated into this part.
- 4) Finally, the analysis was grounded in the Multi-Spatial Management Coordination model (Suwala et al., 2012, p7), which examines his decision-making process through the lens of three spaces: social space (place), economic space (location), and cognitive space (landscape). This approach provided a comprehensive understanding of the factors influencing Mr. Z's entrepreneurial success (shown in figure 1)

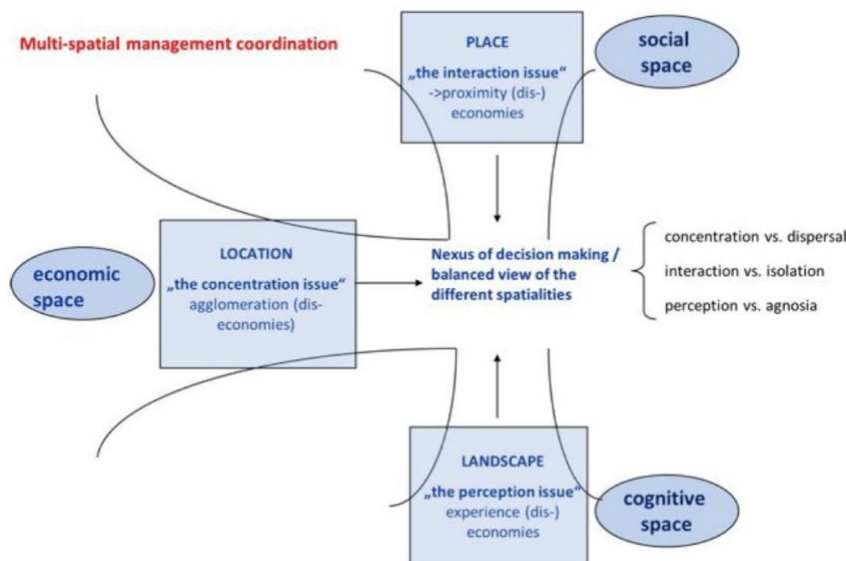


Figure 1: Multi-spatial Management Coordination

Source from: Suwala, L. (2021). *Concepts of space, refiguration of spaces, and comparative research: Perspectives from economic geography and regional economics*.

### 3. Results

#### 3.1 Space analysis of Mr.Z over time

The figure 2, representing Mr. Z’s life in China from 1960 to 1982, illustrates his experience through various stages. From 1960 to 1970, he gained ironworker experience while also learning Japanese, which would later become an integral part of his career. During this time, he was influenced by Teacher A and connected to his home environment, specifically his Father C. In 1978, Mr. Z continued his education at Beijing Normal University, where he studied Japanese, which significantly shaped his academic and professional development. On this occasion, Mr. Z also met Teacher F, who was invited to the spring festival dinner at his house, even though it was not permitted to have foreigners at that time in China due to strict restrictions. By 1982, he had entered the workforce, being employed by the Beijing Municipal Government’s Economic Commission as a translator. The diagram highlights the flow of space and the roles different environments (such as the factory, university, home, and government) played in shaping his educational and professional experiences.

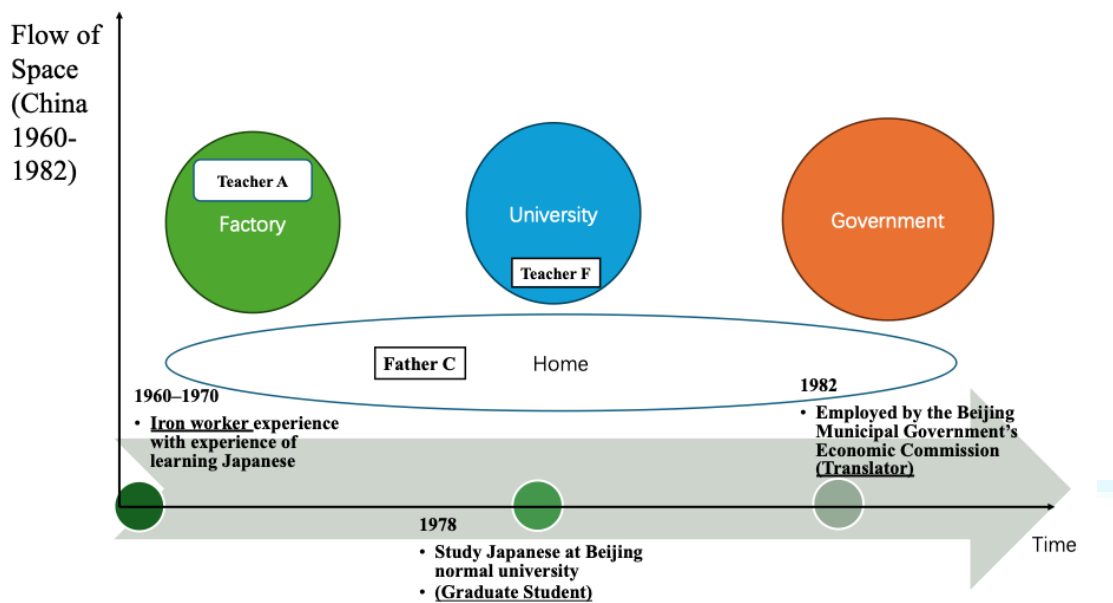


Figure 2: Flow of Space (China 1960-1982)

The figure 3 representing Mr. Z’s time in Japan from 1983 to 1984 shows his experience after being sent by the Chinese government to the Japan Productivity Center. During this period, he attended a business consultant training course, which helped him further his professional skills. Consequently,

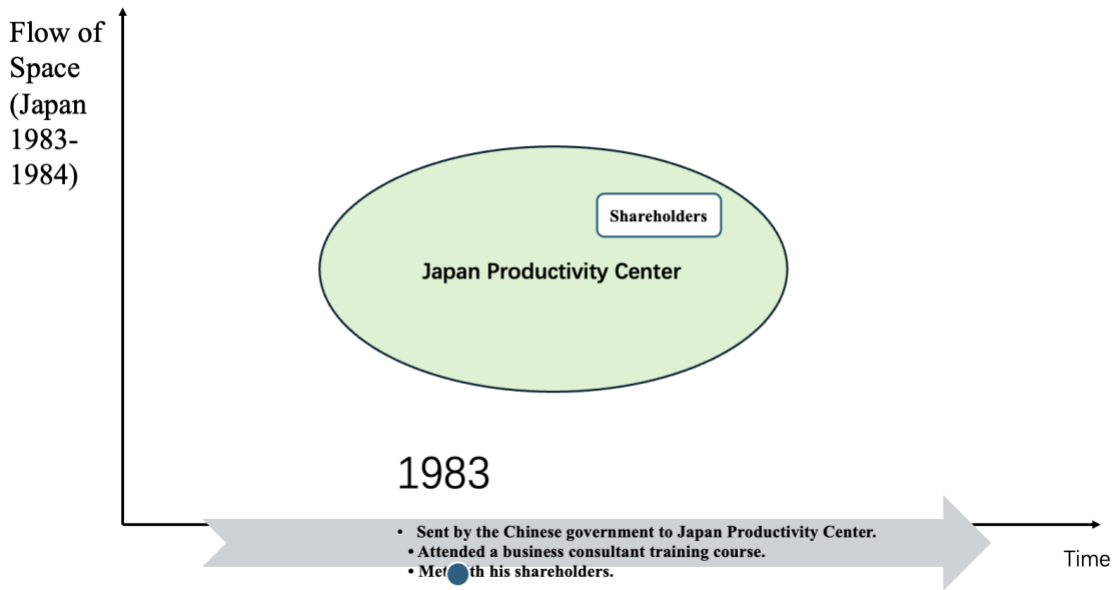


Figure 3: Flow of Space (Japan 1983-1984)

he met with his shareholders, marking an important stage in his career development. The diagram captures this period as a significant turning point in Mr. Z’s growth as an entrepreneur.

The figure 4 representing Mr. Z’s time in China from 1984 to 1987 outlines a significant period in his career development. After spending a year studying in Japan, he returned to China in 1984. During this time, he started working as a management consultant for enterprises, applying the

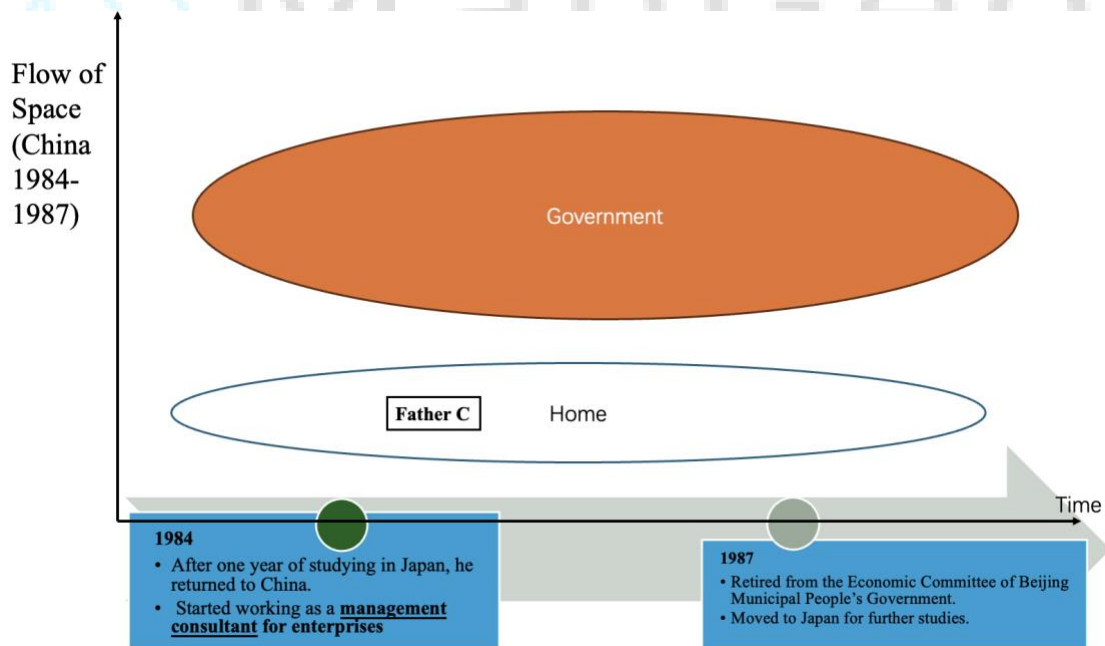


Figure 4: Flow of Space (China 1984-1987)

knowledge and skills he had acquired in Japan. This was also a period where he maintained close ties with his home and Father C, a significant figure in his life. By 1987, Mr. Z retired from his position in the Economic Committee of the Beijing Municipal People’s Government and moved back to Japan for further studies, marking the next step in his professional experience.

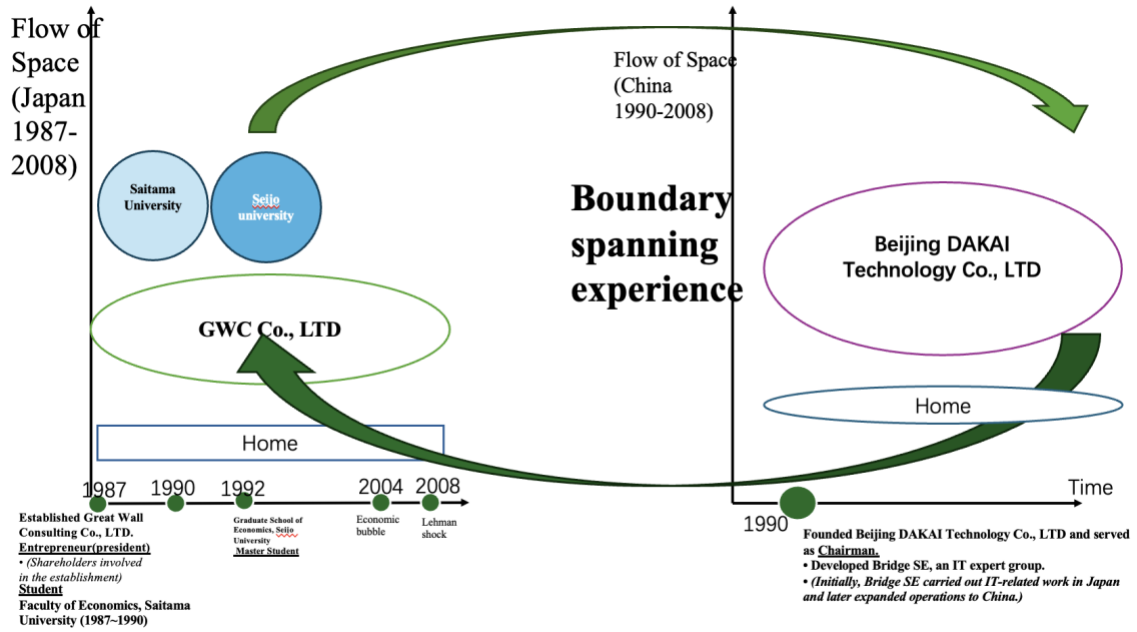
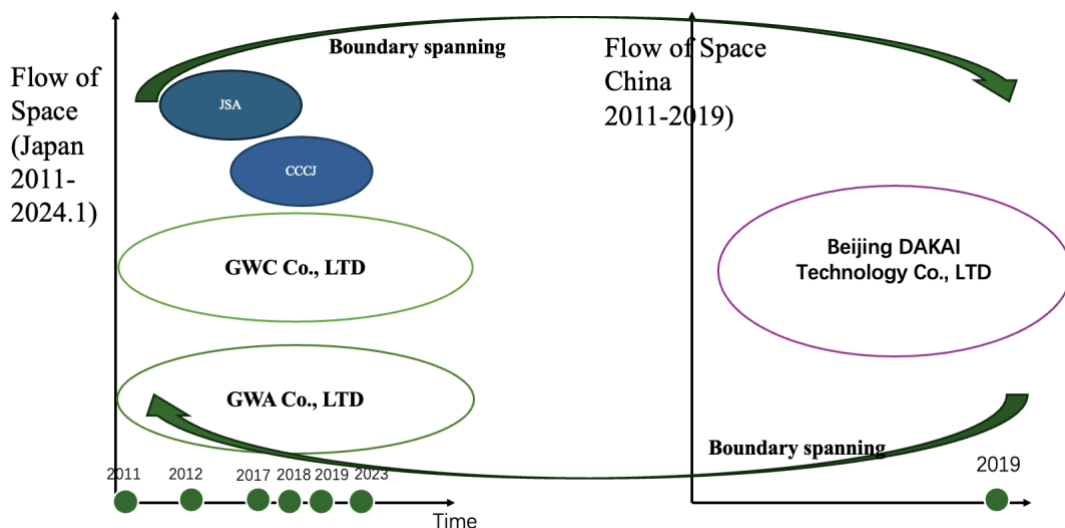


Figure 5: Flow of Space- boundary spanning experience (Japan 1987-2008; China 1990-2008)

The figure 5 for Mr. Z from 1987 to 2008 highlights his professional development in both Japan and China. From 1987 to 1990, he studied in Saitama University, where he learnt studies in economics. In 1990, he founded GWC Co., LTD, serving as the entrepreneur and president, and was also involved as a shareholder in the establishment. During this period, he balanced his entrepreneurial role with his academic commitments. From 1990 to 2008, his experience expanded to China, where he founded Beijing DAKAI Technology Co., LTD and served as Chairman. During this time, Mr. Z developed Bridge SE, an IT expert group initially focusing on IT-related work in Japan and later expanding operations to China. His boundary-spanning experience helped catch business opportunities and promote international collaborations between Japan and China.



6: Flow of Space- boundary spanning experience (Japan 2011-2024.1; China 2011-2019)

The figure 6 showing Mr. Z's experience from 2011 to 2024 highlights his continued boundary-spanning experiences between Japan and China. During this period, he was involved in Japan through his connections with JSA and CCCJ, both significant organizations that provided platforms for his professional activities. At the same time, he maintained leadership roles in GWC Co., LTD and GWA Co., LTD. These companies played a crucial role in his entrepreneurial endeavors. In China, he continued his involvement with Beijing

DAKAI Technology Co., LTD, further expanding his influence and expertise. Throughout this period, Mr. Z travelled both countries, fostering cross-border business connections and innovative strategies, contributing to the long-term success of his ventures. His experience is marked by consistent boundary-spanning efforts to bridge business opportunities between Japan and China.

### 3.2 Proximity analysis of Mr.Z over time

Figures 7 and 8 illustrate the gradual increase in Mr. Z’s cognitive and institutional proximity over time. In Figure 7, cognitive proximity steadily rises as Mr. Z engages in continuous learning and adaptation, acquiring knowledge and experience throughout his entrepreneurial experience. In terms of institutional proximity (Figure 8), several upward trends can be observed. Initially, Mr. Z was dispatched by the Chinese government for a year of consulting training in Japan, marking his first exposure to Japan’s institutional framework. Upon returning to China, he sought to apply his acquired knowledge to support Chinese companies, further integrating institutional elements from both countries. Later, he established his own company in Tokyo, followed by the founding of Beijing Dakai Company, expanding his cross-border business engagement. This experience

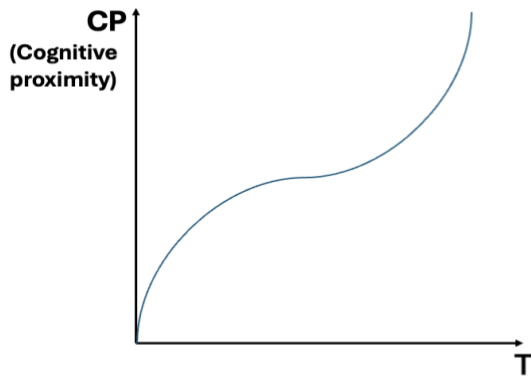


Figure 7: Cognitive Proximity Over Time

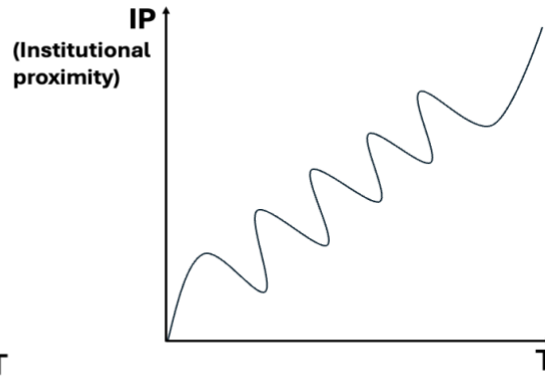


Figure 8: Institutional Proximity Over Time

resembles that of a jet flyer, as Mr. Z continuously navigates between China and Japan, transferring knowledge, human resources, and institutional understanding. The interplay of these experiences has been mutually beneficial—he and his collaborators learn from one another, fostering growth and enhancing overall performance. This process can be seen as a continuous exploration, where shared values and principles guide interactions, strengthening institutional alignment and entrepreneurial success.

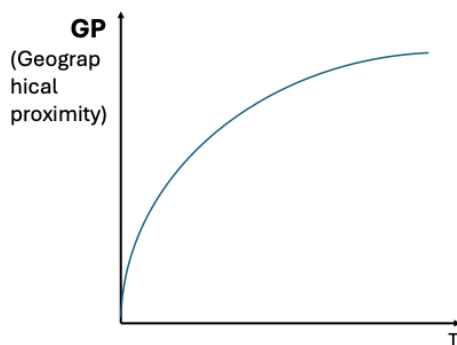


Figure 9: Geographical Proximity Over Time

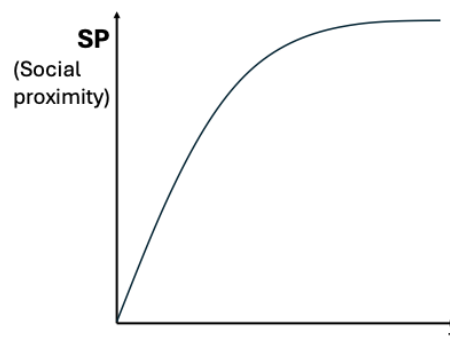


Figure 10: Social Proximity Over Time

Regarding geographical proximity (shown in figure 9), we could see that as the political center of China, Beijing offers significant policy advantages, a high-tech development zone, and a wealth of human and technical resources. This environment facilitates easy access to IT professionals, making it an ideal location



for tech-related enterprises. Tokyo serves as a global metropolis and is Japan’s political, economic, cultural, and educational hub. It exerts considerable influence on international affairs, and its universities produce highly qualified graduates, which is reflected in the profiles of employees at Mr. Z’s company.

Considering social proximity (shown in figure 10) building trust is a cornerstone of Mr. Z's networking strategy. His relationships with individuals such as Teacher A, his shareholders, and members of his team—including the new president of his company—are instrumental to his success. Although his networking circles may be limited, he has maintained long-lasting relationships with these key figures. These connections, whether with Teacher A, or Teacher F, act as promoters who have supported Mr. Z’s experience, providing guidance and assistance as he moved forward in his career.

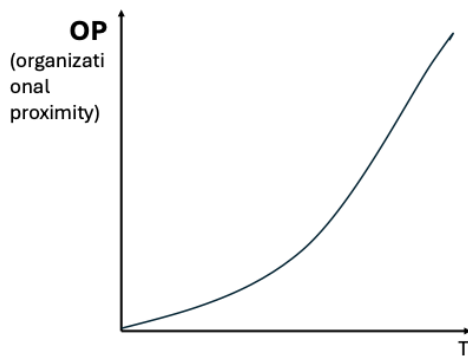


Figure 11: Organizational Proximity Over Time

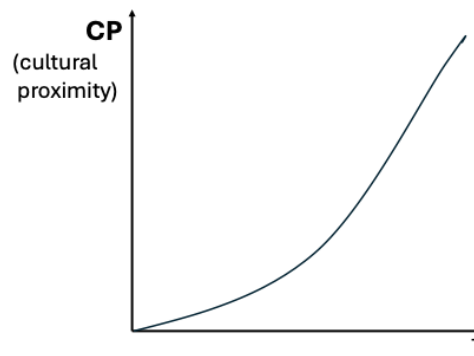


Figure 12: Cultural Proximity Over Time

Organizational proximity (shown in figure 11) is exemplified by the close relationship between Mr. Z’s Beijing-based headquarters and his Tokyo-based headquarters, which facilitates convenient transportation and low costs due to simplified transit procedures. This proximity enhances the dispatch of personnel and allows for seamless knowledge flow between the two locations. Consequently, having lived and conducted business in Tokyo for an extended period, Mr. Z has developed a deeper understanding of Japanese culture. This familiarity enriches his personal experiences and strengthens his professional relationships, enabling him to navigate cultural nuances effectively.

Cultural proximity (shown in figure 12) follows a similar upward trajectory, reflecting Mr. Z’s growing cultural adaptation and integration. Initially, his knowing to Japanese culture was limited, but as he spent more time working in Japan, his understanding of cultural norms, business manners, and communication styles deepened. Main experiences, such as consulting training in Japan, cross-cultural networking, and managing a multinational team, played a significant role in this process. The acceleration in later years suggests a higher level of cultural assimilation, likely driven by continuous interactions with diverse stakeholders in both China and Japan.

### 3.3 Proximity influences cross-cultural management skills

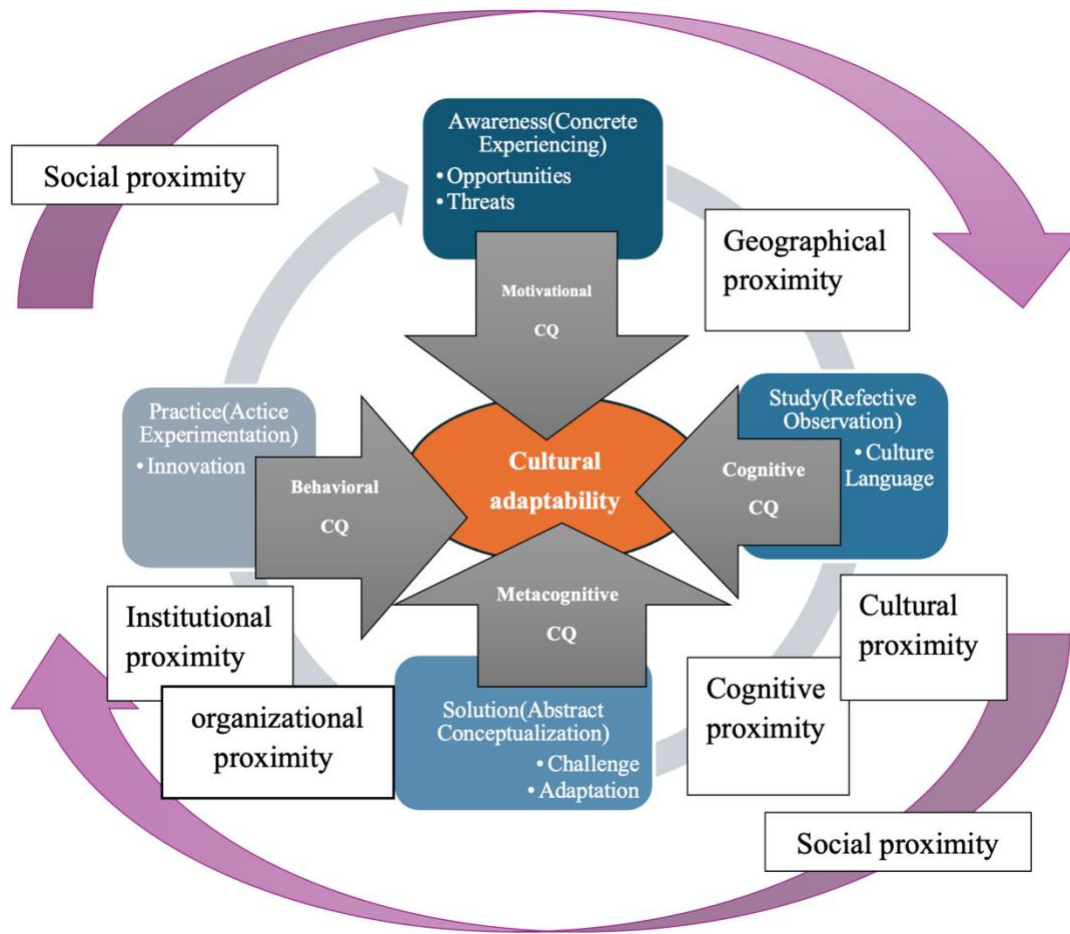


Figure 13: Mr.Z 's analysis of cross-cultural management skills

Source from my MA thesis with my modifications based on ELT, CQ, and proximity theory

As is shown in figure 13, the Experiential Learning Theory (ELT), developed by David Kolb, emphasizes learning as a cyclical process consisting of four stages: concrete experience (engaging in new experiences), reflective observation (analyzing and deriving insights from experiences), abstract conceptualization (developing theories or models based on observations), and active experimentation (applying theories to solve problems and make decisions) (Kolb, 1984). The following are analysis on Mr.Z's cross-cultural management skills from the perspective of proximity:

Geographical proximity plays an important role in fostering awareness by enabling direct exposure to opportunities and threats in foreign markets. In Mr. Z's case, his frequent travel between Japan and China allowed him to observe market trends, customer behaviors, and regulatory changes firsthand, providing valuable insights for business decision-making. By maintaining dual business locations in Tokyo and Beijing, he gained access to diverse human resources, knowledge networks, and policy advantages, which enhanced his ability to navigate cross-border business environments effectively. This geographical proximity significantly strengthened his motivational cultural intelligence (CQ) by increasing his willingness to engage and adapt to different cultural and economic conditions. Additionally, it encouraged environmental scanning, allowing him to identify business risks and opportunities more efficiently, ultimately contributing to his cultural adaptability and strategic decision-making.

Cognitive proximity is essential in reflective observation, allowing entrepreneurs to acquire and internalize cultural, linguistic, and business knowledge essential for cross-border management. In Mr. Z's case, his self-study of Japanese before enrolling at Beijing Normal University enabled him to develop a strong linguistic

and cultural foundation, which later facilitated his adaptation to Japan's academic and professional environment. His pursuit of formal education at Seijo University and Saitama University further expanded his understanding of Japanese economic structures and management practices, equipping him with the necessary expertise to navigate Japan's business landscape. This cognitive proximity significantly enhanced his cognitive cultural intelligence (CQ), enabling him to interpret, process, and apply institutional and cultural knowledge effectively. As a result, it helped him reduce miscommunication, improve cross-cultural interactions, and strengthen his decision-making skills, ultimately fostering greater cultural adaptability in his entrepreneurial experience.

Cultural proximity is meaningful in language acquisition and market integration, enabling entrepreneurs to internalize business norms, communication styles, and consumer preferences in foreign markets. In Mr. Z's case, his fluency in Japanese, combined with his deep understanding of Japanese etiquette, work culture, and negotiation strategies, allowed him to navigate business interactions smoothly and establish credibility within the Japanese business community. Moreover, his ability to integrate both Chinese and Japanese management practices helped him foster trust and long-term business relationships in both countries. This cultural proximity facilitated market entry and expansion, ensuring smoother business operations, and reducing cultural friction in cross-border management. Additionally, it strengthened his cross-cultural learning, enabling him to bridge communication gaps and build effective business relationships, ultimately enhancing his adaptability and success in international markets.

Institutional proximity is important in solution development and adaptation, enabling entrepreneurs to align their business strategies with foreign regulations, policies, and market norms. In Mr. Z's case, his early experience as a translator for the Beijing government provided him with deep insights into China's political and economic systems, which later helped him navigate regulatory complexities. Additionally, his government-sponsored training at the Japan Productivity Center allowed him to gain a comprehensive understanding of Japanese business regulations and labor laws, further strengthening his institutional knowledge. His ability to align his company's hiring, taxation, and labor policies with Japan's legal framework ensured regulatory compliance and long-term stability in a foreign market. This institutional proximity strengthened his metacognitive cultural intelligence (CQ), enabling him to analyze, strategize, and implement solutions that adhered to Japan's business environment. As a result, it enhanced his business legitimacy, reducing risks associated with institutional misalignment and fostering sustainable business growth in Japan.

Organizational proximity is important for improving management skills in the solution period because it provides a clear structure where managers can learn about the company's rules, strategies, and culture. It helps managers understand what is expected of them and makes decision-making of which measures are suitable easier. This proximity encourages teamwork, sharing of knowledge, and flexibility, as managers work closely with others who share the same goals and values. It also helps managers follow the company's rules and use its resources effectively. As a result, managers can make better decisions, become stronger leaders, and help the company grow in line with its goals. In Mr. Z's case, his experience with organizational proximity played a key role in his ability to adapt to both the Chinese and Japanese business environments. Working within different organizations in both countries, Mr. Z became familiar with their specific business rules, strategies, and cultural expectations. His time spent in Japan, particularly in dealing with Japan's legal and labor systems, allowed him to apply his business practices with local regulations, ensuring smooth operations. This organizational proximity also facilitated team collaboration and resource sharing, enabling him to lead his teams more effectively and adapt to challenges in both markets. By deeply understanding the internal workings of his business environments, Mr. Z was able to make informed decisions, enhance his leadership skills, and drive sustainable business growth.

Social proximity is effective in building trust-based relationships, fostering collaboration and innovation in cross-cultural business environments. In Mr. Z's case, his strong emphasis on guanxi enabled him to establish long-term relationships, such as Teacher A, as well as with shareholders and professional networks like JSA and CCCJ, which provided him with business resources, capital, and strategic partnerships. His ability to maintain trust-based relationships in both China and Japan ensured the long-term sustainability of his business ventures. Social proximity was a key part of his growth in cross-cultural management. It encouraged him to try new cultural experience, helping him adapt to different cultural expectations, which also help him

to build stronger trust-based partnerships, reduced costs, and created more business opportunities by forming a reliable network of partners from different cultures and institutions.

3.4 Proximity influences networking

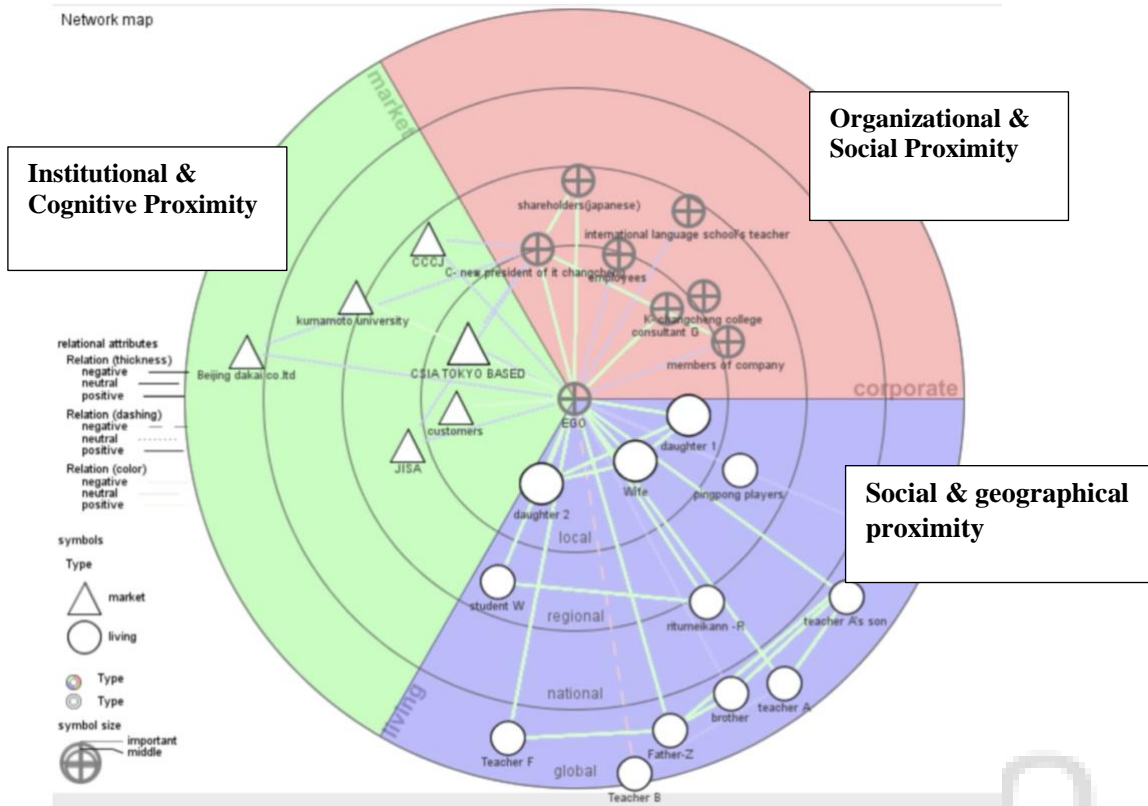


Figure 14: Mr. Z's network map visualized using vennmaker

Source from: author's MA thesis based on framework created by Schlunze et al, 2015

As is shown in figure 14, in the market environment, institutional and cognitive proximity play a crucial role in Mr. Z's business success. Through his involvement in industry organizations such as CCCJ, CSIA, and JISA, as well as collaborations with K University, he benefits from a shared regulatory and business framework, ensuring that his company aligns with local business norms and industry standards. Consequently, his collaboration with academic institutions and industry groups enhances knowledge-sharing and innovation, allowing him to stay informed about market trends, technological advancements, and regulatory changes. By leveraging these forms of proximity, Mr. Z strengthens his business foundation and credibility in the market, ultimately facilitating smoother interactions with clients and partners, which contribute to the long-term sustainability of his business.

In the corporate environment, organizational and social proximity are key factors contributing to the stability and growth of Mr. Z's company. By fostering strong relationships with his leadership team, including Consultant G, the new President P, employees, and Mr. K, he ensures a shared understanding of business goals, operational strategies, and corporate values, which supports the stable development of the organization. Additionally, his ability to maintain a trusting relationship with local shareholders reflects a high level of social proximity, reinforcing long-term commitment, loyalty, and collaboration within the company. This strong organizational and social proximity allows Mr. Z to sustain leadership stability, foster innovation, and ensure long-term engagement of both employees and shareholders, ultimately contributing to the company's continued success.

In the living environment, Mr. Z benefits from both geographical and social proximity, which contribute to his business success and personal adaptation in Tokyo. Geographically, residing in Japan’s economic and technological hub keeps him closely connected to key industry players, educational institutions, and government agencies, reducing transaction costs, and enhancing networking opportunities. Socially, his deep integration into both Japanese business circles and the Chinese expatriate community fosters trust, collaboration, and knowledge-sharing. By actively engaging with local organizations and maintaining strong cross-cultural relationships, Mr. Z effectively bridges cultural gaps and strengthens his position within Japan’s economic landscape. The combination of geographical and social proximity not only supports his business operations but also ensures long-term sustainability and personal growth in a foreign environment.

Mr. Z’s success is not just based on business strategies but also on his strong connections in different areas of life, as seen through proximity theory. In the market environment, his institutional and cognitive proximity helps him understand local rules, gain knowledge, and build credibility, making business operations smoother. In the corporate environment, his organizational and social proximity allows him to maintain stable leadership, build trust, and create strong teamwork, ensuring long-term success. In his living environment, his social, cultural, and geographical proximity gives him personal and professional support, helping him adapt to different cultures and stay strong in challenges. This multi-dimensional proximity framework shows how Mr. Z has successfully built his business in Japan while keeping close ties with China, allowing him to grow his company and maintain a fulfilling personal life.

### 3.5 Mr.Z’s analysis based on multi-spatial management coordination model

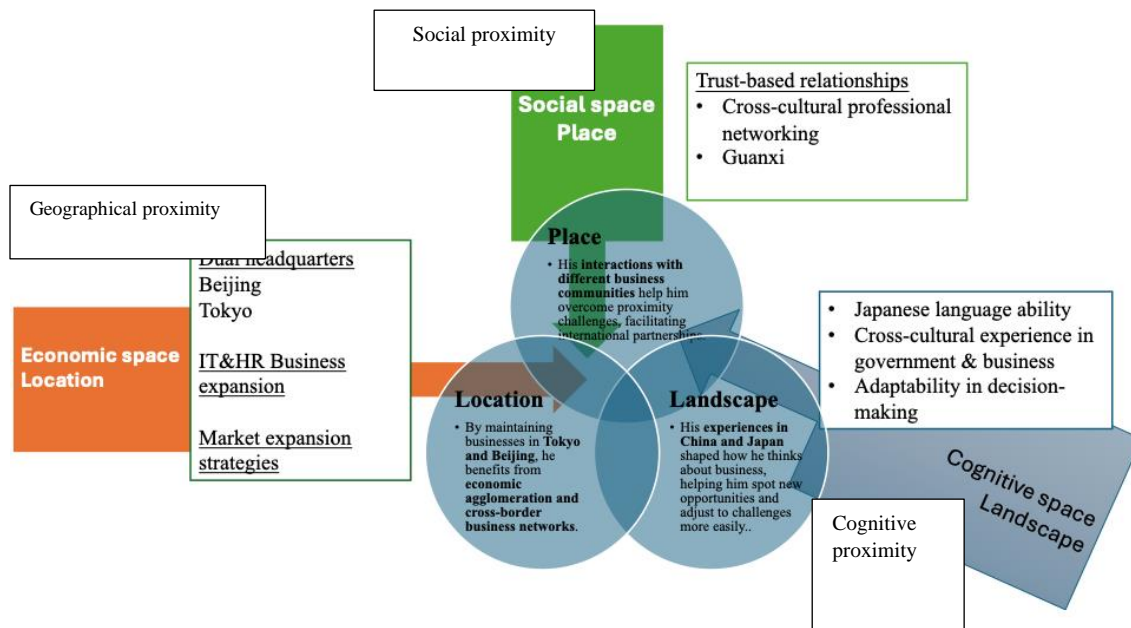


Figure 15: Mr.Z’s Analysis Based on multi-spatial management coordination model with my modifications

Source from: Suwala, L. (2021). Concepts of space, refiguration of spaces, and comparative research: Perspectives from economic geography and regional economics.

Suwala (2021, p 28) noted that economic space is understood as location, social space relates to places, and cognitive space is visualized through landscapes. Figure 15 shows that, in Mr. Z’s case, the Multi-Spatial Management Coordination model demonstrates how economic, social, and cognitive spaces interact to shape his business strategies and cross-cultural adaptability. In the economic space, Mr. Z’s dual headquarters in Beijing and Tokyo, along with his IT and HR business expansion and market strategies, provide a strong foundation for his operations in both China and Japan, enabling him to successfully adapt and grow his cross-border business. In the social space, his cross-cultural professional networks and guanxi (relationship



networks) form a trust-based foundation that helps him navigate the cultural differences and challenges in both countries smoothly. Meanwhile, in the cognitive space, his proficiency in Japanese, combined with his cross-cultural experience in government and business, allows him to make informed decisions, enhancing his cross-cultural decision-making abilities.

This model offers valuable insight for this research, particularly in understanding how proximity influences the development of management skills in cross-cultural contexts. The integration of economic, social, and cognitive spaces enables Mr. Z to communicate effectively, build trust, and adapt seamlessly in diverse business environments. This proximity not only facilitates smooth cross-cultural communication but also helps managers adjust their strategies in response to challenges in complex, cross-border business settings, ultimately forming sustainable global networks. Therefore, based on this model, this research further explores how proximity affects managers' adaptability, leadership, and cross-cultural communication skills, thereby enhancing their decision-making and execution in international markets.

#### 4. Discussion

This article tries to answer the following two research questions:

- 1) How does proximity influence the development of management skills in relational space?
- 2) How does proximity influence networking strategies, and what effects do these have on managerial sustainability?

Considering the first question, proximity plays a crucial role in shaping management skills in cross-cultural contexts by influencing cultural adaptability through awareness, study, solution, and practice, which is consistent with my MA thesis conclusion. Geographical proximity enables direct interactions, fostering motivational CQ, which promotes the study process. Cognitive proximity enhances mutual understanding through cultural adaptation and language learning, which also promotes cognitive CQ. Meanwhile, cultural proximity facilitates shared norms and values, easing cross-cultural interactions. With the experience in the study process, solutions could be found out along with improvement of metacognitive CQ. Finally, institutional proximity is closely related to the practice process which enables entrepreneurs to apply their business strategies with foreign regulations, policies, and market rules along with promoted cognitive CQ. In this whole process, social proximity plays a crucial role in building trust-based relationships, promoting collaboration in cross-cultural business environments.

Referring the second question, proximity influences networking strategies by shaping how relationships are built, maintained, and leveraged for business success. Social proximity—shared values, norms, and cultural backgrounds—helps establish trust, making networking more effective in cross-cultural environments. Geographical proximity facilitates frequent interactions, enabling managers to build strong local networks. Cognitive proximity ensures alignment in thinking, fostering long-term collaborations. Organizational proximity strengthens professional ties within institutions, providing structured networking opportunities. Cultural proximity eases relationship-building by aligning communication styles and expectations. Institutional proximity aligns regulatory and business practices, smoothing cross-border networking. Overall, these proximities enhance managerial sustainability by providing access to resources, diverse perspectives, and innovation-driven collaborations.

Despite the contributions of this study, several limitations should be noted. This research mainly focuses on Chinese entrepreneurs in Japan, so the findings mostly reflect cross-cultural management experiences in the Chinese Japanese context. As a result, the conclusions may not fully apply to entrepreneurs in other countries or cultural settings. Consequently, entrepreneurs in different industries may have different ways of adapting to cross-cultural environments, but this study does not explore in detail how industry differences affect proximity. This study examines various types of proximity, including geographical, social, cognitive,

organizational, institutional, and cultural proximity. However, proximity is a complex and changing concept, making it hard to measure with fixed standards. Similarly, social proximity depends on personal perceptions, which may lead to differences in how it is understood and measured. Because of this, some parts of the study's findings may be subjective, which could affect how well they apply to other cases. While this study looks at how proximity changes over time, it mainly relies on past experiences shared by the entrepreneurs, which may lead to memory bias and make it harder to track real-time changes in proximity. Without a long-term study that follows entrepreneurs over time, it is difficult to fully understand how different types of proximity develop and influence cross-cultural management and business decisions. A long-term study could give clearer insights into how proximity shapes an entrepreneur's network, adaptation strategies, and business growth. By recognizing these limitations, future research can include more cases from different cultures and industries, improve the ways proximity is measured, and use long-term studies to better understand how proximity affects cross-cultural entrepreneurship.

## Reference

- Ang, S., Earley, P. C., (2003). *Cultural intelligence: Individual interactions across cultures*. Stanford University Press.
- Ang, S., Van Dyne, L., Koh, C., Ng, K. Y., Templer, K. J., Tay, C., Chandrasekar, N. A. (2007). Cultural intelligence: Its measurement and effects on cultural judgment and decision making, cultural adaptation and task performance. *Management and Organization Review*, 3(3), 335–371.
- Boschma, R. (2005). Proximity and innovation: A critical assessment. *Regional Studies*, 39(1), 61-74.
- Burt, R.S. (1997). The contingent Value of Social Capital, *Administrative Science Quarterly*; 42, 2; ABI/INFORM Global pg. 339
- Chanlat, J-F. (2006). Space, organization and management: A socio-historical perspective. In: S. Clegg, M. Kornberger (Eds) *Space, Organizations and Management Theory*. Frederiksberg: Copenhagen Business School Press, 17–43.
- Czinkota, M.R. (1996). *The global marketing imperative*. McGraw Hill Professional.
- Ghemawat, P. (2001) Distance Still Matters. *The Hard Reality of Global Expansion*, [Harvard Business Review](#) 79(8):137-40, 142-7, 162
- Kolb, D. A. (1984). *Experiential Learning: Experience as the Source of Learning and Development*. Englewood Cliffs, NJ: Prentice Hall.
- Malberg, A., Maskell, P. (2002). The elusive concept of localization economies: towards a knowledge-based theory of spatial clustering, *Environment and Planning A* 34, 429–449.
- Menzel, M.-P. (2015). Interrelating dynamic proximities by bridging, reducing and producing distances. *Regional Studies*, 49(11), 1892-1907.
- Schlunze, R.D., Ji, W., Mori, M., Li, M. (2015). Does Chinese Managers' Guanxi Networking Matter to Their Managerial Success? - A Multiple-case Study from Japan. *RITSUMEIKAN BUSINESS JOURNAL*, p13.
- Straubhaar, J. D. (2003). Choosing national TV: Cultural capital, language, and cultural proximity in Brazil. In M. G. Elasmr (Ed.), *The impact of international television: A paradigm shift* (pp. 77–110). Mahwah, NJ: Lawrence Erlbaum Associates, Inc.
- Suwala, L. (2021). Concepts of space, refiguration of spaces, and comparative research: Perspectives from economic geography and regional economics. *Forum Qualitative Sozialforschung / Forum: Qualitative Social Research*, 22(3). <https://doi.org/10.17169/fqs-22.3.3789>

Tissen, R., Lekanne Deprez, F., (2008). Towards a spatial theory of organizations: creating new organizational forms to improve business performance, NRG Working Paper Series Breukelen:NRG.

