

CAE and *Hybrid* Manager Reconciliation of Cultural Differences Leading in Japanese Workplaces

Rolf D. Schlunze *

Abstract

This research seeks to clarify how Japan-based managers can reconcile cultural differences becoming successful leaders. This study followed a compartmentalized mixed method strategy. First, guided by the Trompenaars and Hampden-Turner framework it was hypothesized that *Hybrid* managers reconcile cultural differences more successfully than classic assigned expatriates. Twenty-four managing directors were interviewed using a structured onscreen questionnaire. Confirmatory sampling method was applied to distinguish differences in the cultural adjustment and networking behavior for Classic Assigned Expatriates and *Hybrid* managers. The analyses showed that the *Hybrid* managers reconcile towards groupism but retain their achievement orientation. Thanks to the mixed method applied validity for important characteristics how to lead in Japan creating cultural synergy has been provided.

Keywords:

Hybrid managers, acculturation, reconciliation, networking, servant leadership

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* Chair for Cross-cultural Management Research
Professor, College of Business Administration, Ritsumeikan University

1. Introduction

What are the important aspects of cultural adjustment and relationship building to lead in the Japanese workplace? At the level of the Japan-based subsidiaries of foreign firms, not the values of the managerial leaders but the extent to which cultural values are reconciled in response to the host culture is important. The extent of reconciliation will determine to what extent leaders can lead local subordinates spurring the organizational performance. In other words, the cultural adjustment of the leader towards cultural values of the host culture needs to be investigated first. It can be assumed that the question whether the subordinates buy into the leader depends much on his/her successful cultural adjustment or acculturation at the level of the intercultural workplace. Cultural adjustment is not free of conflict. Adjusting to different cultures can be full of obstacles and result in painful learning episodes for the expatriate manager (Baber 2016). The cross-cultural leader is not a superficial self but rather the sum of values and principles that have been learnt through the experience and realization of cultural differences and similarities on the particular international assignment (Russell and Stone, 2002, p.153).

Hampden-Turner and Trompenaars (2000) suggested how to reconcile cultural dilemmas based on seven value dimensions. The Hampden-Turner and Trompenaars (THT) framework can be applied to survey not only cultural differences but also the acculturation strategies of international managers more appropriately¹⁾. Backed up by a large survey on cultural orientation, Trompenaars and Hampden-Turner (2006) sought to provide a concept that gives managers a better understanding of cultural diversity in global business. Together with Voerman, Trompenaars found fascination in the discussion of how *Servant Leadership* across cultures as an integration of opposites can be applied (Trompenaars & Voerman, 2010). Their approach to training managers to become servant leaders is based on the following four steps²⁾:

1. Learn to recognize cultural differences
2. Learn to respect different points of view
3. Learn to reconcile the dilemmas that result from the tensions between different value orientations (cultures)
4. Learn to realize the business benefits of implementing the reconciliations and embedding a mindset across the organization that continually reconciles dilemmas

The THT concept was also applied to the question how to reward performance in global organizations by reconciling the global-local dilemma (Trompenaars & Greene, 2017). To conclude, the THT framework shows capacity building tactics to cope with various managerial problems in the intercultural workplace³⁾. Managers can thus learn to anticipate action and reaction of co-workers with different cultural backgrounds. Better decision making in the intercultural workplace can be achieved by reconciling cultural differences. Reconciliation has been defined as high-level synthesis that resolves dilemma situations by integrating and harmonizing conflicting values through multiple iterations, first described in relation to the seven cultural dimensions proposed by Hampden-Turner and Trompenaars (2000).

Trompenaars has a fascination for the success of Japanese management. He believes that Japanese managers recognize the multi-dimensional character of their company to switch between analytical-rational and synthetic-intuitive approaches. He also sees that Japanese managers learn about other cultures but nevertheless insist on their cultural approach when managing abroad. Of course, this tendency to insist on their own culture is even stronger in workplaces within Japan which makes it less easy for international managers or foreign leaders to manage subordinates at the local subsidiary.

Komisarof (2018) found that Japan-based foreign expatriates are troubled with identity problems and their desire for belonging. National group belonging evaluates the extent that an expatriate feels accepted as a member of other cultural and linguistic communities by coworkers. Organizational belonging means that employees see themselves as core members of their companies. Referring to work of leading Cross-cultural management scholars, Bjerke (2001) found that there is lower ambition for individual achievement in Japanese culture. Responsibility to and success by the team are more emphasized than by individuals who are supposed to perform the virtues of modesty and self-restraint. The fact that Japanese workers value not only the group more highly than individual members, but also order and harmony in a group, makes it even more difficult for foreign managing directors who come from cultures often characterized by relatively strong individualism (Bjerke, 2001, p.188). This presents a great challenge for international managers to lead subordinates who are rooted in the Japanese culture.

Classic expatriated managers are characterized as people with global management skills but often described as being disembedded from their work and living environment. Classical Assigned Expatriates (CAEs) are believed to have little understanding of local business environments and employee relations because CAEs are likely to lack cross-cultural skills

needed to build local social networks (Tharenou, 2013, p.343). Peltokorpi (2007, p.75) observes that even expatriates fluent in Japanese have trouble communicating “tricky issues” to Japanese employees. He found that “the success of the tactic ... depends on each expatriate’s ability to develop friendly ties with local managers” (Peltokorpi, 2007, p.77). Peltokorpi and Froese (2009) found that Self-initiated Expatriates (SIEs) tend to be better adjusted to the general environment and to interaction with host country nationals than classic expatriates. The promising message of Haslberger and Vaiman (2013, p.1) is that to gain “new answers to old problems, new sources of talent must be found. SIEs are one of such sources”. Even if SIEs are still a neglected source of global talent they argue that traditional talent management that centers on CAEs no longer works since alternative career patterns have become more important in international organizations. Statistical analysis of a database consisting of eighty-one Japan-based managers with leadership functions distinguished the *Hybrid* manager from CAEs by three criteria (1) the ability to communicate in Japanese language in the workplace, (2) the access to a culturally fluent partner or supporter who provides first class information and advice, (3) pro-active involvement in decision making processes at the level of the local subsidiary (Schlunze, 2016, p.182). *Hybrid* managers can work in Japan as a local would do, but while developing new and implementing global managerial practices in a fashion that makes synergy effects possible (Schlunze, 2011, 2012). Applying the acculturation perspective of Berry (2005) it appears that their individual efforts – like the SIEs - to integrate into local teams enables them to contribute with qualitative improvements or creation of incremental innovations.

Thus, it is necessary to clarify to what extent *Hybrid* managers differ from CAEs regarding networking with locals. Schlunze (2016, p.181) showed that not only acculturation but also the communication about their strategic intent is important when assessing the better performance of *Hybrid* managers. Little research exists on how the interculturally competent manager in Japan reconciles cultural differences and becomes networked in the Japanese workplace (Schlunze & Ji, 2012, Schlunze, Baber & Ji, 2014). Confronting Japan-based international managers in leadership functions with these dilemmas and learning about their network preferences appears to be novel research that provides a better understanding about the most important cultural elements for corporate leaders adjusting to the Japanese workplace. This research seeks to clarify how leaders of foreign affiliated firms reconcile cultural differences becoming a networked and effective leader in the intercultural workplace.

The hypothesis is that culturally competent managing directors achieve better results by

showing more flexibility when reconciling important conflicting cultural aspects. It was further expected that they are therefore more engaged in local networks. This research is a longitudinal study on the manager's acculturation skills and tactics needed to succeed in Japanese workplaces. The research questions are: How do competent leaders reconcile cultural dilemmas? Who are their trusted supporters? What are the essential aspects of leading in Japan?

The results are expected to generate useful implications for international managers, as well as for international students at Japanese universities preparing for assignments, taking over leadership roles in local subsidiaries of foreign affiliated companies in Japan. The insights introduced in this study may help professional managers to heighten their awareness of which cultural dimensions are essential to observe when leading Japanese subordinates in the intercultural workplace. Finally, by theorizing from the findings of this multiple case study research I propose an original framework that distinguishes leadership options by two cultural dimensions found to be important when leading and managing people in Japan.

2. Methodology

This study followed a compartmentalized strategy since a sequential order of methods was used. During the research process the role of quantitative and qualitative analyses changed and in the end both parts were converging with a theorizing part of this multiple case study. Hurmerinta and Nummela (2011: 225) recommended following a compartmentalized strategy when applying mixed methods to improve the validity of the findings, and to acquire a deeper understanding of the research subject.

A census on 230 foreign executive managers listed in the directory of the European Business Council in Japan (EBC) was conducted on workplace performance back to 2009 with a response rate of 26%. The respondents represented a wide range of industry reaching from food and agricultural products, material procurement, chemical and pharmaceutical manufacturing industry to diverse services such as transport, finance, certification, patent attorney and consultancy. However, all these managers were heading sales or service subsidiaries of foreign firms and organizations. Half of them indicated willingness to participate in an interview survey. For this survey a confirmatory sampling method was chosen in order to contrast twelve *Hybrid* managers with eleven CAEs. An attempt was made to contrast Tokyo and Osaka-based expatriate managers but only four managers were in

Osaka. This investigation completed twenty-one interviews with European managers and additionally three interviews with North American managers, each facilitated by an onscreen questionnaire generated using GrafStat (2006 Edition/Version 3.39-i) in order to investigate the managers' cultural adjustment and networking preferences. Initial interviews with all managers were conducted in the phase between February and April 2009. Most of the managers were in their 40s and 50s. From Western Europe, nine French, five German, three Dutch⁴⁾, two Swedish, one British and one Italian manager participated in the survey. All managers had leadership functions within the foreign subsidiaries, heading their organizations as a managing director or president. Three general managers are included since they fulfilled representative and/or legal functions. From North America, two US and one Canadian manager working for a German multinational company joined the multiple case study. Since the cultural adjustment problems of these North American managers appeared to be similar to Western Europeans no obstacles were perceived including them in this survey that would lower the reliability of this survey. With the exception of one female, all managers were Caucasian white males.

Applying the THT framework⁵⁾ to this research is not with the intent to understand the particular Western cultures of Japan-based international managers but to understand how they reconcile cultural differences in order to fit into the Japanese workplace and lead Japanese people successfully. To make it clear, I investigated the cultural adjustment of these managers who come according to Hall (1989) from a relatively "low context" culture into the pronounced "high context" culture of Japan⁶⁾. Thus, I am eager to learn about the ways of better integration into the Japanese workplace by adequate networking behavior overcoming and/or facilitating particular Japanese relationship building practices.

Reconciling cultural dilemmas by contrasting cultural orientations and outlining the cultural adjustment efforts or options within the intercultural workplace is the challenge that this research project addresses. The THT framework consists of reconciliation adjustment strategies for its seven cultural dimensions. According to these dimensions the assumptions about how CAEs and *Hybrid* managers are reconciling cultural differences are introduced as follows.

1. Reconciling universalistic with particularistic perspectives

Universalizing is the dominant mode of business globalization among Multinational Enterprises and applies an abstract, rule-based approach (Hampden-Turner and Trompenaars, 2000, p.48). Most managers are coming from a universalistic environment at the corporate, industry, and

regulatory levels, yet *Hybrid* managers are expected to reconcile their universalistic approaches in Japan, a particularistic culture.

2. Reconciling individualistic with collective perspectives

International managers from Western Europe and North America are typically determined to individualize business success in order to climb up the career ladder. Trompenaars and Hampden-Turner (2006, p.52) found that “the idea of “T” is that rising individualism is part of the rise of Western civilization and is treated as a belief rather than a fact that can be disputed”. However, it was expected that *Hybrid* managers learn to reconcile individualistic perspectives and learn to emphasize “We”.

3. Reconciling neutral with emotional perspectives

According to Edward Hall (1989), managers from “low context” countries are more likely to show their feelings when they are emotionally upset. It was expected that *Hybrid* managers put relationships first and reconcile affective attitudes performing more neutral expressions of attitude in order to avoid cultural friction within the high-context culture of Japan.

4. Reconciling specific with diffuse perspectives

Expatriates from Western Europe and North America are expected to have a more specific approach to relations. In Japan, customer relations are of utmost importance. Therefore, it was expected that *Hybrid* managers reconcile diffuse-oriented management style by learning to take time building good relationships with customers based on a narrow focus.

5. Reconciling achievement with ascription perspectives

All expatriated managers in this study come from societies that accord status to managers based on their achievements. In Japan it is possible that status can be ascribed by age, gender, education and professional qualifications. Trompenaars and Hampden-Turner (2006, p.109) wrote “achievement cultures must understand that some ascriptive cultures, the Japanese especially, spend very heavily on training and in-house education to ensure that older people actually are wiser for the years they have spent in the corporation and for the sheer numbers of subordinates briefing them”. Accordingly, it is expected that the *Hybrid* manager meet this scheme, and not challenge it.

6. Reconciling past, present and future perspectives

In Japan the sequential approach of Taylor and Ford to mass production in the automobile industry was improved by Toyota which combined it with the synchronic approach of Just-in-time (JIT) delivery. Since then a reconciliation of both approaches has become public wisdom in Japan. The hypothesis assumes that the *Hybrid* manager realizes this and reconciles from a

sequential towards a synchronal approach.

7. Reconciling short-term with long-term perspectives

Japanese subordinates do not necessarily need to be impressed by visionary thinking of the foreign managing director and instead they expect daily support from the manager. Therefore, *Hybrid* managers are expected to know that they do not need to have a master strategy but need to reconcile strategy in response to customer relations.

The null-hypothesis proposes that CAEs and *Hybrid* managers show the same profile for their cultural adjustment.

The original questions were slightly modified to fit the onscreen analysis and are published as a self-test by Trompenaars and Hampden-Turner (2006) at the end of each chapter explaining about the seven cultural dimensions. Important to this analysis was that Answer (1) and Answer (4) can be perceived as two extreme approaches solving managerial problems. Answer (4) puts relations first, a phenomenon that can be often observed in Japanese culture. Answer (2) is reconciliation from a viewpoint of a relative low-context culture; meanwhile Answer (3) is a reconciliation coming from the high-context culture of Japan that puts relations first. Cultural competent managers were expected to show their deeper understanding by reconciling both approaches having the Japanese perspective in mind.

To clarify the question of how international managers get embedded, four questions about networking were added to the THT framework. The aim of the network analysis was to investigate what kind of advisor is trusted to support the success of the manager. Interviews were completed with managing directors and presidents of foreign subsidiaries facilitating onscreen survey. Twenty interviews were conducted in Tokyo and four in Osaka. All interviewees were surveyed 1) about their ability to communicate with Japanese in the workplace, 2) the existence of a culturally fluent advisor, and 3) their involvement in decision making processes of the local subsidiary. Evaluating acculturation efforts, the interviewees were categorized into two groups: a) CAEs and b) *Hybrid* managers who fulfilled the three criteria; which is that *Hybrid* managers 1) communicate in Japanese language, 2) can rely on a cultural fluent advisor, and 3) are pro-actively involved in the decision making in the Japanese workplace.

A multiple case study with managing directors including follow up interviews was conducted until recently. Several managing directors who cooperated with the initial interview survey were invited to join cross-cultural management workshops. Two French company presidents participated in several of the workshops, a Swedish director attended an IHRM workshop and

a Dutch president gave a lecture about his leadership approach. The workshops covered various topics but always discussed how to reconcile cultural perspectives and how to lead people in Japan. Keeping in contact with these international managers, I conducted follow up interviews and continued the conversation in various venues and formats about how to reconcile Western approaches to leading Japan-based subsidiaries.

Due to the workshops and follow-up interviews a long-term observation of selected managers became possible. Social media such as LinkedIn was used to maintain contact with all managers interviewed and learn about their career developments. As we can see from Figure 1 most of the managers stayed at the same company (Survey from September 2015). *Hybrid* managers were most able to change the workplace within Japan. One classic expatriate manager was returned to his home country, and two *Hybrid* managers could not be classified since their current work locations remain unknown. It was observed that some *Hybrid* managers were headhunted by other Japan-based transnational firms. This investigation sees it as a confirmation of managerial success when international managers succeed to stay a decade in Japan whether employed by the same company or at another company. Those CAEs and *Hybrid* managers who performed well I invited to workshops giving them opportunity to share their stories of synergy creation in the intercultural workplace with the next generation of international managers. The research target was to learn about cases of managerial success were not failure which might have biased the sample of cases comparing CAEs and *Hybrid* managers.

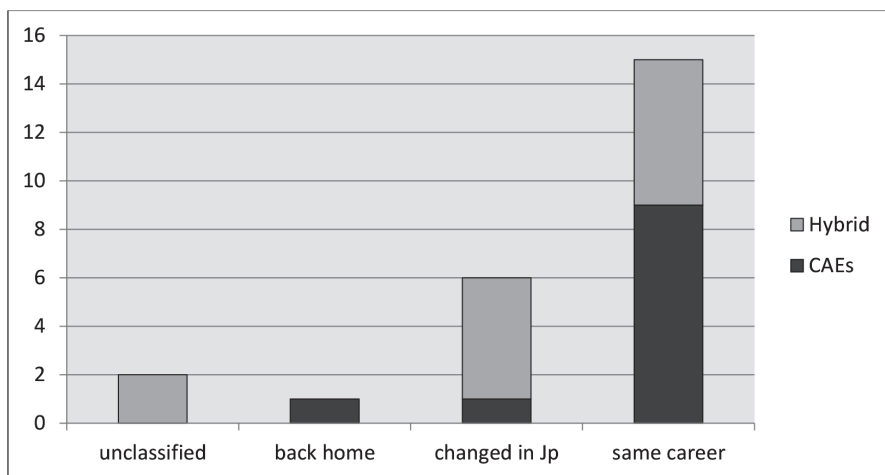


Figure 1: Observing career changes (n=24)

Using non-parametric analysis, the null-hypothesis has been tested that classic expatriate and *Hybrid* managers showing the same range of behavioral choices for a) reconciling the seven cultural dimensions, and b) have the same range of preferences for networking in the global corporate, workplace, market and living environment. Observations from both groups were jointly sorted and ranked. A bipolar scaling method was used measuring the span from an extreme cultural orientation (1) to another extreme cultural orientation (4) that emphasizes the way to build relationships in either the local or Japanese way. The same applies for networking behavior where (4) indicated a preference for local networks. All questions produced variables with four intervals. The smallest and largest ranks were determined by span computation using SPSS+. The MOSES test of extreme reactions was used to test whether the range of the variables was the same in both groups or not.

As seen in Table 1 below the results of the analysis showed that the range of the reconciliations of the two types differs significantly in terms of two cultural dimensions: Dimension 2, Individualism versus Groupism, and Dimension 5, Ascription versus Achievement. Expat and *Hybrid* managers differ significantly in their range performing different networking in the a) living, b) market, and c) corporate environments, as well as in the d) workplace.

In the following section the results for two cultural dimensions and networking variables that differed significantly in their range will be discussed. Further, evidence for characteristics of servant leadership among four selected cases of CAEs and *Hybrid* manager who participated in the entire survey will be provided.

Table 1: Results of the analysis
Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
1	The range of particular is the same across categories of Hybrid.	Independent-Samples Moses Test of Extreme Reaction	.953 ¹	Retain the null hypothesis.
2	The range of groupism is the same across categories of Hybrid.	Independent-Samples Moses Test of Extreme Reaction	.020 ¹	Reject the null hypothesis.
3	The range of neutral is the same across categories of Hybrid.	Independent-Samples Moses Test of Extreme Reaction	.200 ¹	Retain the null hypothesis.
4	The range of diffuse is the same across categories of Hybrid.	Independent-Samples Moses Test of Extreme Reaction	.500 ¹	Retain the null hypothesis.
5	The range of ascription is the same across categories of Hybrid.	Independent-Samples Moses Test of Extreme Reaction	.000 ¹	Reject the null hypothesis.
6	The range of synchronic is the same across categories of Hybrid.	Independent-Samples Moses Test of Extreme Reaction	.107 ¹	Retain the null hypothesis.
7	The range of external is the same across categories of Hybrid.	Independent-Samples Moses Test of Extreme Reaction	.842 ¹	Retain the null hypothesis.
8	The range of global is the same across categories of Hybrid.	Independent-Samples Moses Test of Extreme Reaction	.010 ¹	Reject the null hypothesis.
9	The range of market is the same across categories of Hybrid.	Independent-Samples Moses Test of Extreme Reaction	.020 ¹	Reject the null hypothesis.
10	The range of workplace is the same across categories of Hybrid.	Independent-Samples Moses Test of Extreme Reaction	.050 ¹	Reject the null hypothesis.
11	The range of living is the same across categories of Hybrid.	Independent-Samples Moses Test of Extreme Reaction	.000 ¹	Reject the null hypothesis.

Asymptotic significances are displayed. The significance level is .05.

¹Exact significance is displayed for this test.

3. Results

Most of the CAEs prefer a universal approach although Japan is a particularistic business environment when it comes to contract relations. Even CAEs know that they need to avoid making public what they perceive privately. Like Japanese, they are rather diffuse, placing importance on the feedback of their customers. Most of the managers adjust to just-in-time synchronization of processes, but some prefer sequential approaches to speed up operations. In general, the managers surveyed like to emphasize their leadership and prefer internal controls over external controls. In the figures below the profiles of cultural adjustment for CAEs and *Hybrid* managers are shown. Figure 2 shows that both CAEs and *Hybrid* managers learnt to reconcile emphasizing relationships when managing and leading in Japan. However, it appears that *Hybrid* managers reconciled individualism towards groupism or collectivism more strongly (median =3). Further, the *Hybrid* manager appears to be more focused more on achievement than the classical expatriate. This result infers that *Hybrid* managers reconcile important cultural differences in a more favorable way.

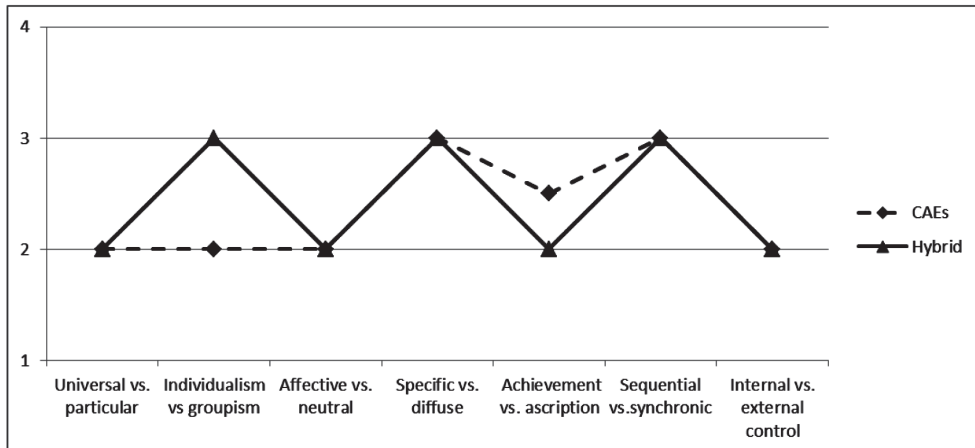


Figure 2: Cultural adjustment of the CAEs and *Hybrid* managers (average=median)

3.1) Cultural adjustment

Reconciling individualistic with collective perspectives (Dimension 2)

Many managers are determined to individualize business success in order to climb the career ladder. However, Japan based expatriate managers learn to reconcile individualistic perspectives. They know that the team takes the responsibility for success and failure and thus

they develop a long-term perspective on working together with their Japanese subordinates. It appears that the *Hybrid* managers learnt to become good team leaders in the Japanese context. In contrast, CAEs often try to appeal by proposing big changes. Malik (2014:211) critiqued the pressure to change something to appear successful as a superficial management approach. In contrast, the interviews showed that *Hybrid* managers take time to analyze and perceive problems trusting their team to make gradual changes needed to succeed. The *Hybrid* manager reads the atmosphere correctly and reconciles properly without overemphasizing collective perspectives. My finding that the *Hybrid* managers emphasize more groupism or collectivism corresponds with principle in the servant leadership model that leaders and the employees work together closer as a team (Hannay 2009, p.6).

Achieving with ascription-oriented subordinates (Dimension 5)

Managers interviewed usually came from societies that accord status to managers based on their achievements and it appears that most of them stay achievement-oriented. Even if in Japanese organizations ascription is emphasized, the *Hybrid* does not necessarily fulfill the expected scheme, but seeks ways to challenge it within the organization. Thus, the initial assumption is rejected. *Hybrid* managers use their intercultural competence to open-up to new challenges in changing Japanese workplaces where employees increasingly demand an assessment based on performance (Meyer-Ohle, 2009, p.7). More than CAEs *Hybrid* managers appear to be ambitious to make achievements with their local team and use their cultural competence to get employees on their side. My finding that *Hybrid* managers emphasize achievement more is supported by the idea that a servant leader who builds trust and cares for harmony is in a better position for enhancing effort or boosting performance of the team in the intercultural workplace (Hannay, 2009, p.7)

3.2) Networking behavior

As the results in Figure 3 show, the CAE and *Hybrid* manager have a slight but significant different range of networking pattern in the living, market, corporate environment and workplace. To solve problems in the global or corporate environment, usually expatriates consult each other but the *Hybrid* manager frequently addresses Japanese colleagues and friends. They are confident about integrating Japanese colleagues in their decision-making processes since they have achieved mutual trust with the co-workers. Most expatriate managers do have a strong preference for realizing new market opportunities but the way how to achieve

it differs. Different patterns among CAEs and *Hybrid* managers when learning about market opportunities were observed. CAEs rely on the marketing expertise of local managers while *Hybrid* managers refer to a wider range of advisors because the *Hybrid* manager could assess the market and make the appropriate, consensus-based decisions. *Hybrid* managers show a strong preference to consult Japanese colleagues about workplace problems even if they do not have overseas experience. In contrast, CAEs avoid cultural friction in the decision-making process and instead ask for advice from expatriates with country-specific experiences. It is likely that they might seek advice from a *Hybrid* manager in the second tier of the subsidiary management. The data showed that the *Hybrid* manager is more engaged in the workplace communication performing a relative stronger preference for workplace harmony. *Hybrid* managers are able to build friendships with local nationals in the workplace and in their neighborhoods, developing trust in Japanese nationals who lack overseas experiences, but who have had profound living experiences. *Hybrid* managers often aim to get settled and undertake extra efforts to integrate themselves into the local community. Evidence for the cultural learning with respect to the servant-leadership approach of both manager types will be discussed in the next section.

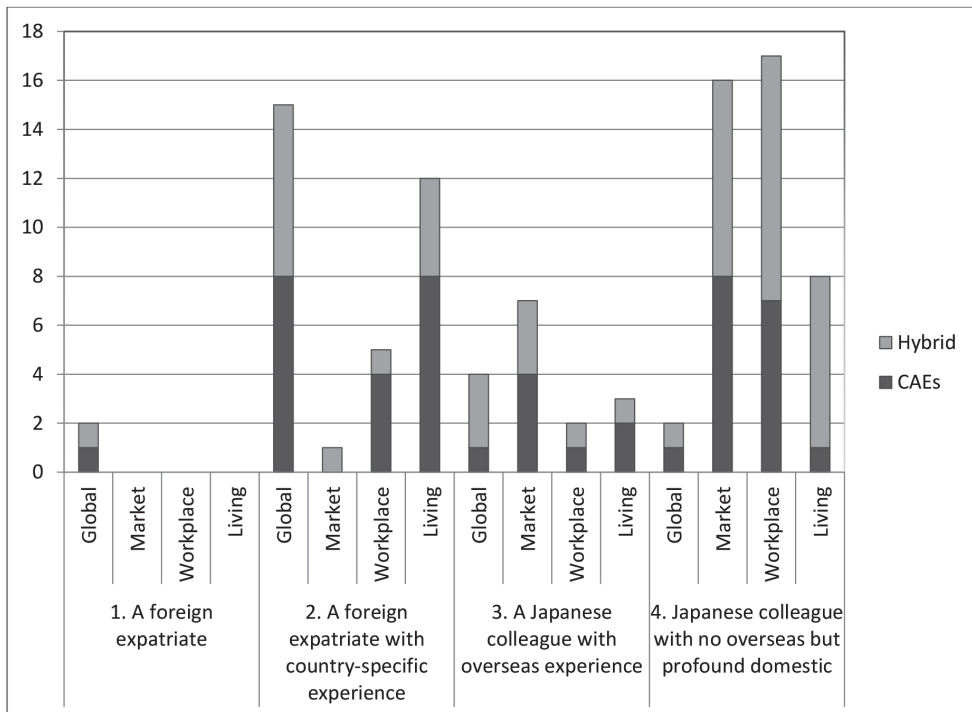


Figure 3: Networking behavior of CAEs and *Hybrid* managers

3.3.1) Evidence from the workshops and follow-up interviews

Robert Greenleaf (1977) introduced the concept of servant leadership. He contrasted the traditional leader who has the desire to lead followers to achieve organizational objectives with the *Servant Leader* who serves others in order to make them capable of becoming a leader themselves. Referring to those principles Hannay (2009) emphasized the importance of empowerment in defining a servant-leader. As seen in Table 2 Russell and Stone (2002) produced a helpful list of attributes. My own systematic observations throughout the reports of a dozen workshops held between 2008 and 2015 with professional managers confirm the listed servant leadership attributes by adding more details about managerial practices in this longitudinal study through workshops and follow up interviews with corporate leaders. Practices related to the attributes of servant leadership, written in italics, were reported during the workshops and the functional and accompanying attributes confirmed during the panel seminar are mentioned by stating the respective cases (ABCD).

Table 2: Servant leadership attributes and observed managerial practices

Functional attributes: <i>observed practices</i>	Case study	Accompanying attributes: <i>observed practices</i>	Case study
1. Vision: <i>Co-leadership/Meaning</i>	A,C,D	1. Communication: <i>Stakeholders</i>	C,D
2. Honesty: <i>Transparency</i>	A,B,C	2. Credibility: <i>Ethics</i>	C
3. Integrity: <i>Selflessness</i>	A,C	3. Competence: <i>Emotional Intelligence</i>	B,C,D
4. Trust: <i>Mutual understanding</i>	A,B,C,D	4. Stewardship: <i>Responsibility</i>	C
5. Service: <i>Coaching</i>	A,C,D	5. Visibility: <i>Living ahead</i>	B,C
6. Modelling: <i>Social business</i>	A,C	6. Influence: <i>Balancing team</i>	C
7. Pioneering: <i>Initiatives</i>	C	7. Persuasion: <i>Negotiation</i>	C
8. Appreciation of others: <i>Humanity</i>	A,C,D	8. Listening: <i>Information sharing</i>	B,C,D
9. Empowerment: <i>Equality</i>	C,D	9. Encouragement: <i>Confidence</i>	C,D
		10. Teaching: <i>Inspiration</i>	C
		11. Delegation: <i>Effectiveness</i>	C,D

Based on Russell and Stone (2002, p. 147, Table I) with own observations at the workshops and panel seminar.

During our workshops with Japan-based CAEs and *Hybrid* managers the relationship building characteristics of trust, credibility, listening and communication as well as characteristics such as vision, service, appreciation of others, stewardship, encouraging and delegation were frequently discussed. Drawing from four cases in the longitudinal study, evidence for the application of servant-leadership will be introduced in the following more in detail in the following.

Case A

In an early workshop on international business communication on 14th November 2009 different ideas and approaches for succeeding in the intercultural workplace have been discovered. There was much awareness that cultural differences may become an obstacle to business communication and business development. For the French and Japanese co-presidents, communication involves people and it means communication between all stakeholders. As co-leaders of a French financial institution, they outlined the conditions for success of their culturally *Hybrid* co-CEO system: the co-CEOs are placed on an equal footing regarding compensation. The co-CEOs know and trust each other and were equally empowered. They made sure that the board was consisted equally of the same number of Japanese and French members. Through their co-leadership they improved communication and decision making achieving better results. Transparency implemented improved reaction to problems and the execution of decisions improved. Cooperating later as co-auditors they continued to make decisions as if they are just “two halves of one brain” and succeeded also in introducing new business tools. Their business improvement efforts included Business Continuity Planning, Compliance, Risk Management, and excellent results in Financial Services Agency and Tax Authority compliance inspections. The workplace climate improved and the motivation of the subordinates heightened as well. The co-auditors participated in 2011 IHRM workshop and talked about the need for checks and balances in business. The French auditor warned participants not to overestimate the extent of globalization when managing and leading people in Japan. By claiming that the world is not as flat as some journalists have told us and the internet has not merged everything together yet, he shared his awareness that cultural differences still matter.

During the workshops we learnt that the president of Nissan, Carlos Ghosn, sometimes received advice from the French auditor about how to lead in Japan with credibility avoiding any kind of financial fraud. Japanese media praised Ghosn as a global manager when Nissan recovered from financial problems and expanding globally. However, Ghosn was imprisoned and lost all his credibility as a leader because of financial issues reported by leading local managers of Nissan Corporation who wished to remove him from his leadership position. On 31 January 2019 the French auditor explained in e-mail correspondence that the Carlos Ghosn situation offers new angles to think about leadership. He found that the French business community is not really rattled by it⁷⁾, but suggested that expatriated managers are certainly encouraged to demonstrate a higher degree of care in their dealings, especially in internal controls.

Case A implies that efforts to communication with their stakeholders, building trust among and balancing interest among the board members are important steps towards leadership acceptance. Ideas as implementing a management attributed by equality and transparency that is compatible to global management seem to motivate local and international managers working together efficiently. The co-presidents' strategic intent aimed on taking care about workplace climate. Motivation of the subordinates could be improved and organizational performance heightened. The French manager was initially classified as a CAE but his strategic intent to implement a *Hybrid Co-CEO system* supported by his individual effort to deepen his cultural knowledge featured important functional attributes of servant-leadership.

Case B

During the IHRM workshop held on 11th June 2011 the president of a Swedish company importing metal powder gave one remarkable advice that indicates his servant leadership approach. He stated that it is very important to be humble in Japan. His experiences in Japanese workplaces taught him that form is much more important than substance. For example, he warned newcomers "you can have the best product, the best price, and the best people, but if you are not tactful with building relationships with your Japanese customers and partners, you will fail here". In November 2016 I interviewed him at his office in Tokyo about diversity and inclusion at the Swedish subsidiary. He told me that female staff members are not secretaries but perceived as specialists; none of the female staff members is obliged to serve tea at his company. Case B showed us that the humble attitude of this manager, who started in Japan as a CAE, can be perceived as insurance to keep good customer and partner relationships. The empowerment of female staff members by nurturing special skills of his subordinates was one important goal of the Scandinavian leader. He realized that success and failure is based on quality of relations in Japanese workplaces and domestic market. His wisdom in human resource management shows many attributes of an intercultural competent servant-leader enabling him to support staff members' development and performance. This case shows that a CAE can transform into a *Hybrid* manager. Case B is not married to a local national, but he receives constant support and advice from the trusted female subordinates who feel empowered by his HRM policy that focuses on gender equality. Clearly, gender issues have been his strategic intent and as a good outcome he received the loyalty of the empowered subordinates who help him in return to observe and react to cultural differences not only at the workplace but also within the local market.

Case C

On 20th June 2012 the Dutch president cited Professor Muhammad Yunus who said “I am proposing to create another kind of business, based on selflessness that is in all of us. I am calling it social business.” He proposed Social Businesses that simply do good. With his own business project importing organic food into Japan, he intends to generate profits that enable him to donate to social businesses seeking to support other philanthropists’ business activities. His core values of conducting business are Meaning, Inspiration and Effectiveness. Modelling his business, he outlined his company’s credo as follows: 1) Our Meaning “To be the key to a better world; to help humanity move to sustainable development”; 2) Our Goal “To become the no. 1 supplier of top quality organic and fair-trade food & drink products in Japan”. He wishes to promote his MIE Project by enthusing others to think more about sustainability in businesses. Taking initiative, he sees as an attribute of modern leadership. He suggested the equality of leader and follower when stating: “When the people lead, the leaders will follow”. Case C features a *Hybrid* manager who favored a philanthropic approach. He saw selflessness and humanity as core values achieving leadership acceptance. His strategic intent was to inspire his employees about sustainability and lead them to perform effectively taking initiative by themselves.

Case D

On 26th October 2013 the president of a French affiliated pharmaceutical company in Japan told us there is much tension between the direction and orders given by the head office and the reality found at the local subsidiary level. Conflicts and antagonism often arise from cultural differences and misunderstanding. In order to create synergy in the intercultural workplace he introduced a coaching method based on Emotional Intelligence (EI). He encouraged employees to focus on their strength and not on their weaknesses. In California he became a certified coach of the *Disney Imagineering Strategy* that guides people in three steps, including a Dreamer, Realistic and Critic-Phase, to be creative in the workplace. He coached his local staff members at the subsidiary as a group and individually in order to increase self-esteem. As an effect they gained more confidence in their work, contributed effectively and their performance increased.

On 29th November 2014 we conducted a talent development workshop with him. In the meantime, he retired from the multinational company and works now as professional coaching expert. He taught us how to discover talents in order to build intercultural competence. He

stated that “knowing the talents of each member of a team helps a lot to lead the team and increase efficiency.” Regarding emotional intelligence said that “Management by using power and fear don’t work anymore; Empathy, understanding other peoples’ point of view is very important for modern leaders”. He suggested that sharing information is a useful method to discover talents and promoting mutual understanding in the intercultural workplace. Especially, Japanese staff members need to learn to speak with confidence about their own and their co-workers’ talents. He perceives leadership in an organizational role involves following aspects: 1. Establishing a clear vision; 2. Sharing (communicating) that vision with others so that they will follow willingly; 3. Providing the information, knowledge, methods and means to realize that vision; and 4. Coordinating and balancing the conflicting interests of all members or stakeholders. He is aware that leaders need to perform self-awareness, self-control and empathy but for him leadership is indeed all about relationship.

On 1st December, 2017 another workshop with the French coach about adjustment and synergy creation in intercultural workplaces was held. The purpose of the workshop was to understand how cultural differences can be reconciled in order to create cultural synergy. The manager was interviewed about his working and living experiences in Japan. It was observed that the manager adjusted to the collectivistic culture in Japan, firstly as a president with a vision to combine strengths of the host and home countries. The coach pointed out that his business success was made possible through two trustful advisors: His Japanese secretary at the workplace, and his Japanese wife at home.

Case D featured an intercultural competent *Hybrid* who is now working as a Consultant-Executive Coach. Already as a president of the French company he started coaching his team. He received himself leadership acceptance by sharing information, heightening mutual understanding, and building confidence among his team members. His strategic focus on a visionary thinking concerning human relationships in the intercultural workplace is characterized by empathy. Emotional intelligence was found to be a core concept of his coaching service as well.

It appears that the success of the acculturation outcomes of *Hybrid* managers’ cultural adjustment can be explained by the servant leadership model. The case studies imply that cultural adjustment and relationship building related to empowerment of Japanese employees appears to be an option to create synergy in the intercultural workplace.

4. Discussion

Learning to demonstrate empathy and elicit trust when managing people abroad does not depend on openness only, but also on conscious efforts to adjust to the host culture. The question here is which cultural dimension is most important when adjusting to Japanese culture. The null-hypotheses propose that CAE and *Hybrid* manager show the same profile of dimensions in their cultural adjustment. The null hypothesis could be rejected for following two dimensions: a) Individualism vs. Communitarianism/groupism; and b) Achievement vs. Ascription. Additionally, the range of the networking behavior was found to be different for the two types of managers. The *Hybrid* manager has a stronger preference to become networked locally than the CAE.

The findings let us infer that the profile of cultural adjustment varies foremost for the individualism/groupism and achievement/ascription dimension. It appears that bi-cultural or *Hybrid* managers are more focused on reconciling their individualistic view towards communitarianism but stay with their achievement-orientation. However, from the panel survey it has been learnt that the *Hybrid* manager cannot be seen as a static concept but must be perceived as a dynamic process that lead to intercultural competence achievements enabling the manager to act as a bi-cultural entity in the Japanese workplace – even when he initially has been a classical assigned expatriate manager.

Hybrid managers take leadership by integrating into the local team while trusting their subordinates to maintain customer relations and make incremental changes needed to succeed in the Japanese market. Their way of trusting and supporting the team is reconciled and focused on achieving together with their team at the local subsidiary. The slight difference in the way of reconciling differences shows that those managers are more ambitious about gaining achievements with their local teams. *Hybrid* managers are locally embedded and take conscious action to coach and/or inspire their co-workers, clients and stakeholders. From the case studies it becomes obvious that cultural competence is not a static achievement but a dynamic process that can be learnt. Like a servant-leader, they are interested in the development of leadership skills of their trusted team members. They aim with their strategic intent for outcomes that can be perceived as cultural synergy. Previously, Adler (2008) showed that cultural synergy assumes equifinality - that many equivalent ways to work and to reach final goals together exist.

Mimicking Trompenaars, I would like to emphasize that Japan-based international managers with a leadership position have it tough. They must operate on a number of different premises at any one time. To simplify the results of this study in one sentence: The *Hybrid* manager's cultural adjustment profile or DNA⁸⁾ for leading in Japan appears to be characterized by group-orientation and strong will to gain achievements through local networks featuring attributes of a servant-leader. It can be inferred that the bi-cultural or *Hybrid* manager has the ability to extend the stay in Japan by finding new career opportunities within a labor market for Japan-based expatriates because he is capable to achieve together with his local team.

The results of this multiple-case study infer that cultural competence matters when leading people in Japan effectively. Since Trompenaars and Voerman (2010, p.51) perceive the Japanese leader as the perfect example of the integration of the master and servant role, it has been assumed that *Hybrid* managers accurately imitate Japanese leaders in order to succeed in Japanese workplaces. However, this research let us infer that *Hybrid* managers are creative in the Japanese workplace adding their "wave of culture" by their strategic intent to the Japanese workplace. One might argue that CAEs may achieve with their team in a similar fashion when applying a servant-leadership approach, but they will always depend on assistance if they cannot negotiate using the local language. If they have not developed a deep interest in the Japanese culture, they hardly develop reciprocal and trustful relations that enables them to empower their employees like shown in case C and D. Both *Hybrid* managers might be therefore strong on accompanying attributes of servant leadership such as communication, encouragement and delegation. It has been observed that *Hybrid* managers have the language and cultural competence which enables them to become networked locally shaping teams as it suits the achievement processes. Therefore, servant leadership practices have been observed foremost at the level of *Hybrid* managers. However, the two cases of CAEs successfully made efforts to become culturally competent and performed the role of a servant leader within their organizations as well. Those culturally competent managers were able to transform global and local management practices creating synergy in the intercultural workplace. Servant-leadership might be a good approach to lead successfully in Japan but can hardly replace cultural competence nurtured by language and integration efforts observed at the level of Japan-based *Hybrid* managers who are indeed synergy leaders because they are more focused on building a local network of advisors. The implications for international managers, as well as for international students at Japanese universities preparing for

leadership roles in local subsidiaries of foreign affiliated companies in Japan are to consider carefully how to share their strategic intent with trusted subordinates and co-workers when managing and leading in Japan.

Limitations result from the fact that the case study research combined quantitative and qualitative methodologies in a fashion documented by Hurmerinta and Nummela (2011) which heightens the knowledge and provides better validity. By facilitating standardized questionnaires, semi- and open interviews, the mixed method strategy made it possible to avoid problems around revealing personal information yet allowed extraction of the essentials of leading with cultural competence in Japan. Methodological strengths and weaknesses of the focus case study on leaders come from a confirmatory sampling method which investigates further characteristics of two different types of managers defined by previous research. This study provides a clear finding on the cultural adjustment and networking of *Hybrid* managers, and deeper insights into the problem of leading people in Japanese workplaces.

Appendix

- 1) Trompenaars made his discoveries not only through questionnaire surveys but by including countless cross-cultural training programs that the THT Intercultural Management Group gave. Trompenaars perceived their empirical results as an illustration of what they wish to communicate to professional managers, a prescriptive guide for adjustment. They wish for managers to get a better understanding of their own culture and cultural differences in general, by learning how to recognize and cope with these in a business context. It should be noticed that the group is ambitious to provide insights into the “global” versus “local” dilemma (THT 2006, p.2).
- 2) Source: Trompenaars Hampden-Turner – Culture for Business; Retrieved from <https://www2.thtconsulting.com/about/#about-approach> (June 2019).
- 3) The fact that Trompenaars advocates a creative way that seeks to balance extremes and proposed important steps which people need to take to reconcile cultural dilemmas. The double helix of reconciliation (THT 2006, p. 211, Fig. 13.9) introduces their model of models: the DNA of intercultural management. This is a metaphor borrowed from life science but helps to visualize the dynamic process of reconciliation. The ladder of proteins has four rungs; their ladder of cultural values synthesis has seven rungs. For them the double helix makes obvious the complementarities, provides motivation to accept unexpected dynamics when pairs come together. Trompenaars and Hampden-Turner suggest that uprights on each ladder may help us when mapping the cultural space. The twist of the spiral contains the coded instructions but symbolizes the growth and other synergetic processes when managing internationally. The work of THT Intercultural Management Group is more than a contribution to grasp cultural differences. We need to observe that the main purpose of the THT framework can be found in the double helix model that summarizes processes by which values are reconciled.
- 4) One Dutch manager was born in Prague but brought up and educated in many diverse places around

the globe until a multinational firm sent him to Japan. This manager is a good example that a particular national culture is not as important as the cultural influence that the leader experiences in a Japanese workplace.

- 5) The publication entitled “Riding the Waves of Culture – Understanding Cultural Diversity in Business” by Trompenaars and Hampden-Turner is not only about how to perceive and explain about cultural differences. Reading the appendix of the book you will learn about the practical and scientific background. Peter Woolliams, Professor of Systems Management at University of East London, wrote in the appendix that “the primary purpose of the Trompenaars database is to help managers structure their cross-cultural experiences in order to develop their competence for doing business and managing across cultures” (THT 2006, p.245). In the preface Trompenaars makes clear: “we found an extra impetus to go beyond “plotting” differences, to develop a method taking advantage of these differences through reconciliation” (THT 2006, x). Trompenaars and Hampden –Turner’s work is about cultural differences but how they affect the process of doing business and managing is their major concern (THT 2006, p.1).
- 6) Applying Edward Hall’s model it is not rude in the field of Cross-cultural management studies and should permit to contrast high-context culture as the Japanese workplace with the cultural background of the international leaders who origin from low-context cultures like Germany, Sweden, the United States and mix of high- and low-context culture like France and Italy.
- 7) Anne Beade and Hiroshi Hiyama, Ghosn case rattles Japan’s expat business community, 2019 Jan. 11, Japan Today (Online Newsletter). Retrieved from <https://japantoday.com/category/crime/ghosn-case-rattles-japan%27s-expat-business-community> (Retrieved 2019/01/30; the article has in the meantime expired, and is no longer available at the online newsletter JapanToday)
- 8) According to Trompenaars the double helix helps summarize processes by which values are reconciled. The DNA for intercultural management is here used as a metaphor to explain the dynamic profile of international managers’ cultural adjustment.

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要旨

本研究は、日本に拠点を置く外国人マネジャーが文化的相違をいかに調和し、成功するリーダーとなり得るかを明らかにすることを目的としている。本研究では区分化した混合研究法を採用した。まず、Trompenaars と Hampden - Turner のフレームワークを基に、ハイブリッド・マネジャーは従来の典型的海外派遣マネジャーよりも文化的相違をより効果的に調和できるという仮説を立てた。24名の在日外国人社長に対して、構造化されたオンスクリーンアンケートを用いたインタビュー調査を実施した。典型的海外派遣マネジャーとハイブリッド・マネジャーの文化適応およびネットワーキング行動の違いを区別するために、確認的サンプリング法を適用した。

分析の結果、ハイブリッド・マネジャーは「集団主義」へと調和しつつも、自らの達成志向を維持していることが明らかになった。混合研究法を用いたことで、日本におけるリーダーシップの重要な特性や、文化的シナジーを生み出す方法に関して信頼性の高い知見を提示することができた。

キーワード

ハイブリッド・マネジャー、文化変容、調和、ネットワーキング、サーバント・リーダーシップ