Effective Business Communication

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Contents

PREFACE

In Japan, many facets of our daily lives are dependent on foreign countries and vice versa, and this can be considered as a large-scale mutual global dependence. Large numbers of Japanese nationals travel abroad, while many visitors come to Japan for study, business, or pleasure.

Recently, in addition to Japanese, instructions or tourist information signs have also been written in English together with Chinese and Korean. We all live in an international environment even if we live in Japan, and sometimes, we regret the lack of good language skills to communicate with foreign travelers. However, such disappointment and regret last only for that moment in time and are quickly forgotten in no time. Many Japanese understand the necessity of English communication ability, but do not feel a pressing need for it.

There is no doubt that English is a common medium for international communication. In the business field, transactions have become cross-border, and companies' activities have expanded from domestic to international markets. Improvement to technology has also accelerated overseas activities. This trend of globalization is not only limited to the business fields but also to individuals through channels such as travelling and online shopping from overseas sites. These situations clearly show us that English capability is of primary importance. The English that is required is neither American nor British, but one as a common communication tool, as a lingua franca, which is the intention in this paper.

Companies require people with the ability to work effectively in an international environment. They prefer to hire both new graduates and mid-career professionals with adequate English capabilities to satisfy their business needs, and this will continue and become more aggressive in the near future. This demand for English proficiency at Japanese companies as well as foreign ones has been around for a long time and will not ease any time soon.

Reflecting the needs in business and society, acquiring English skills have become an unavoidable subject. Effective mutual communication is imperative when considering business transactions and the large numbers of people who enter and leave the country. The need for English communication has been well recognized for a long time. What was initially "nice to have" has now become "need to have" for almost everyone. Accordingly, learning English has become one of the most critical and urgent as well as popular subject at schools and in businesses. With low or no English capability, companies may potentially limit their global growth and success in a severely competitive world. The level of English proficiency determines the future of a company.

Even today, most learners do not seem to have great success despite spending a good deal of time to study English. Students who wish to learn conversation tend to put grammar and vocabulary aside. Conversation is powerful but it does not exist as an independent skill. Effective language communication is composed of grammar and vocabulary in both passive and productive skills.

However, once we become familiar with English, we may misunderstand and cause problems presuming our communication ability. Overconfidence in language proficiency easily causes miscommunication and makes for an unpleasant atmosphere. Our preconceptions may also create obstacles in communication. Language has been cultivated in an environment where it is mainly used. When we speak in English with North Americans, our words are perceived with respect to their cultural context, even though we may be speaking English with a Japanese understanding. Speaking in English is not limited to just native English speakers but also among non-native speakers, such as with other Japanese, Koreans and Mexicans. When we speak with someone from a different cultural background, we may have different interpretations, which leads to appreciation or disapproval of the other party. We must know the differences of culture to practice and behave accordingly. Though it may make perfect sense to someone of the same cultural background, it may not be the same to another from a different cultural environment. Fluency in English does not mean that a person has enough knowledge of different cultures and consequently, the ability to respond appropriately. The lack of cultural difference awareness causes critical misunderstanding. It is risky to make a judgement from our own perception or preconception, which can only be applied to our own society. Communication consists of language and behavior. Language learning is an indispensable factor in global business but knowing behavior differences and its appropriate interpretation are also important. In addition, logical and persuasive skills, which are not taught as part of language learning, are also required on top of language skills, especially in a business environment where communication may be more controversial.

The author started his career at an English language institute (British) in Japan where he was involved in English test development for Japanese business personnel. Since then he has spent his entire career at Japan-based multinational companies (American and Swiss), and at a U.S. based American company which was acquired by a Japanese firm. Through his professional career, he has had many opportunities to observe and experience mistakes, be exposed to the difficulties in explanation and the perception gap on the job. He also has had multiple opportunities to consider how English was required and how it worked, as well as other communication challenges and struggles.

1. English as Lingua Franca

No one will deny that English is the most common and powerful language in the global environment. Comparing the population of first language speakers, we can easily find that the largest one is Chinese, covering 1,299 million people (mainly in China), followed by Spanish with 442 million speakers, then English with 378 million, and Arabic with 315 million people. Japanese is also used by 128 million people which is ranked at ninth based on population[1]. While Chinese has the most number of speakers, it is limited by its geographical coverage. Chinese language training has been provided at many schools and universities and many people learn it. Such investment and efforts can be attributed to the fast-growing economy and increasing business opportunities in China. The reason behind it is that a large number of manufacturing facilities in the U.S., Japan, and Europe have moved to China to pursue a lower cost of manufacturing, and to develop and expand their distribution in the large growing market. Accordingly, the main motivation of learning Chinese is to target the local businesses there, not for cross border needs. Similarly, Arabic has the third largest number of speakers, but its usage is also limited geographically. As for Spanish, the countries and regions where it is used are scattered globally. While that is a positive element as a global language, learning Spanish as a second language is ranked ninth and relatively weak.

On the other hand, English is a powerful international language and has great influence. Thanks to the strong economic superpower of the U.S. and geographical coverage due to former territories and colonies of the United Kingdom, it has been recognized as an official or quasi-official (second) language in 54 states and used by 2,107 million people[2]. Accordingly, English is the most common and effective language when we look at the international environment as a whole.

1) English in Japan

After World War II in 1945, Japan rebuilt her industries from ruins in a remarkably short time. Back then, Japanese businesses enjoyed favorable foreign exchange (FX) rates, i.e., Japanese currency was weak, and it worked favorably for exporting and unfavorably for import. However, the Plaza Accord in 1985 made the FX rate flexible and that resulted in about a double appreciation of the Japanese currency in a year which led to the bubble economy in Japan. It prompted businesses in Japan to make enormous investments overseas and accelerated the need for learning English. In spite of the severe FX rate now, Japan has enjoyed a strong and stable economy which has motivated many foreign companies and people to enter the country.

Since the domestic market in Japan can only be scaled by that much, many companies have expanded their business overseas. Also, Japanese people have enjoyed traveling abroad thanks to a good FX rate. It is reported that nearly 18 million Japanese traveled overseas and over 27 million foreigners came to Japan in 2017[3]. There is no doubt having English capabilities can contribute to our lives wherever we go.

In 2017, there were about 1.3 million foreigners working in Japan which is 18% higher compared to the previous year[4]. These foreign nationals have found work nationwide and across all industries. We see many non-Japanese people around us, such as on the train, at stores, schools and hospitals. Some of them do not speak Japanese and most of us are not able to communicate with them in their languages. Our current support on Japanese language and everyday assistance may not be enough for them to feel comfortable and live easily in this country. Majority of these foreign nationals are mainly employed as unskilled workers, but employment of foreign workers will be expanded to much wider job ranges including the professional field. It might be a trend that jobs in Japan may not necessarily be performed by Japanese, and in the future, nationality may not be an important issue as long as one has the capability to provide the required services. We have to recognize the fact that English has been taught as a second language in many countries, and many foreigners can communicate in English. If many Japanese are able to use English as a common communication tool, not necessarily being fluent but somehow communicable, it may help more foreigners come to Japan and build good relationships in society. Japanese people have spent huge amounts of time on English studies, especially at school. If we put some more effort in it, we will be able to improve our communication abilities with other English speakers in the world.

2) English Learning

What is the motivation to learn English and how is it taught at formal education? In spite of the importance of English, many students do not feel the urgency to study and use English. They mainly spend time on it on examinations at schools, entrance examinations, promotion, or job hunting. The motivation is to get a higher Grade Point Average (GPA) as higher scores of English tests affects career development advantageously. Many students wonder how long it takes to be able to communicate in English effectively while studying it.

It is said that 3,000 hours is required for a Japanese person to reach an appropriate level of English skill, while much fewer hours are required for Europeans. The language distance[5] between English and most European languages is closer compared to the one between English and Japanese. Many Japanese believe that they have studied English for at least six years over the course of their formal education. According to the Government Curriculum Guidance, the following unit-hours are provided to English or foreign language learning as a guideline:

70 unit-hours at elementary school	= 53 hours
420 unit-hours at junior high school	= 350 hours
525 unit-hours at senior high school	= 437 hours
1,015 unit-hours in total	= 840 hours

The guidance says that one-unit hour means 45 minutes at elementary school, 50 minutes at both junior and senior high schools. This shows that we only spend a little over 800 hours studying English formally in school. 800 hours is equivalent to 100 days if we spend 8 hours a day studying. One-unit hour is 90 minutes at university which is equivalent to 1.5 hours. If university students spend two-unit hours a week for 30 weeks a year (1.5x2x30), that only makes 90 hours a year. Even if the student studies for 180 hours over two years, it barely reaches 1,000 hours in total. Learning English for six years seems to be an illusion.

If the requirement of 3,000 hours is correct, we need to triple or quadruple the amount of time currently spent on studying English. 3,000 hours is almost equivalent to one full year spending 8 hours a day in an English environment. It is obvious that we have a shortage of learning hours. Another issue that affects learning is capacity. When we leave the classroom, we are surrounded by our local language. Our endeavors at learning English are paused until the next lesson and our memory starts to get weaker.

Translating from English to Japanese and vice versa has been a traditional teaching method at school, and some claim that it prevents students from effective learning. It is not always the case. In translation exercises, basic grammatical knowledge is repeatedly reviewed with a selection of right words. The purpose of doing translation exercises as part of studying is to reinforce the set rules of sentence structure. Translation work itself is not the purpose, but is an assisting tool to help us understand and build sentences.

Recently, a strong desire to build English speaking skills has come up, and that has resulted in focusing on English conversation. It is attractive for students because it is more visible compared to reading and writing, and makes them look nice and smart. Parents who realized the value also encourage it. When people travel abroad, it must be fun and helpful if they can make a self-introduction, or go shopping in English. It is said that listening accounts for 46% of our daily communication, and 30% for speaking[6]. Accordingly, most part of our daily life is occupied by these two, which conversation is composed of. At business meals or informal meetings, conversation topics sometimes extend to a wide range of themes such as politics, economy, history, religion, disasters, national priorities, and even Greek Mythology. We are expected to participate in the discussion and express our own opinions. Even though we may have good conversation skills, effective conversation cannot be materialized without the required general knowledge. What supports conversation is a combination of knowledge and wisdom, and this includes a good grasp of general knowledge. Daily conversation is a good start, but not enough for business. There are benefits of conversation training at junior high or high school. However, if we place too much importance on conversation skills and neglect grammar and vocabulary, any amount of hard work will not bring about the desired result of being a capable English speaker. Though many people emphasize on speaking skills, no conversation is effectively performed without listening capabilities. Conversation is a two-way communication, and sentences are formed by grammar and vocabulary.

Grammar is the general rule of language, in listening, speaking, reading and writing. Any sentence that deviates from the rule fails to send a meaningful message. Grammar is the academic summary of analysis and categorization of how a language is built. It is not an independent subject to learn in general, but a vital tool to understand and to create sentences. The volume of vocabulary is also an indispensable portion of language effectiveness. If we have many alternative words in memory, different words can be used to clarify what is intended to say if the listener seems to be confused. In business environment, reading and writing abilities are critical in addition to conversation. To make language effective, grammar and building vocabulary should never be disregarded.

2. English in Business

Many Japanese are often surprised, even shocked, to find out that their grasp of English is not adequate for effective communication, especially when they leave the country for the first time. We become worried about what we had learned for more than six years in school. Once we start living in a foreign country, even as a visitor, we start facing language challenges.

Despite saying and repeating what we said again and again, or using other expressions, it does not seem to translate across many situations. It can be quite difficult at the beginning to convey what we want to put across. There is no clue what the problems are, whether it is the pronunciation, accent, word selection, grammatical error, behavior, or something else. It happens even to those with high academic English scores. This is called "language shock"[7]. Together with cultural differences, disappointment, frustration, irritation, depression and dismay may come up.

Many companies ask for English proficiency for both current and new employees, regardless if they are new graduates or mid-career professionals. It is not limited to foreign capital companies or overseas assignees, but local employees who work domestically. Today's business arena is a global one, and English is a "must." English training may be provided by the companies, but it is costly and takes time to reach the expected proficiency level, and how long it takes is unknown. Companies are not willing to invest their limited resources in things they are uncertain about. It is economical to hire people with enough language skills or with high potential to reach a certain level in a relatively short period of time. Hiring talented personnel allows for an immediate contribution to the company. From this point, though it is still challenging for many companies, hiring non-Japanese with English capabilities is and will be a possible solution. In many cases, employees may not necessarily be Japanese for the purpose of negotiating business transactions overseas. This situation suggests to us that we (Japanese) do not have the luxury to be complacent.

There are many business opportunities overseas. When starting any business overseas, companies need to contact and start discussions with the locals. These include the authorities, professionals, engineers, suppliers, potential distributors and all in the related fields. Any overseas assignees would have to build relationships with these local representatives and develop a communication network in both the country and the industry.

Then, it becomes necessary to decide on a common language to use, otherwise both parties would have to enlist the help of translation services. The alternatives are either their home country's language or the host country's or a third one.

Regardless of the origin of the corporation, as far as worldwide operation goes, it is required to have a common language. This is not only for the relationship with the officials, its customers and suppliers, but also for intercompany communication. Employees at branch offices overseas need to communicate with one another and work as a team, and communication is not always initiated from the head office. When we install a new reporting system, for example, everyone concerned must be involved. Cooperation and coordination are critical to accomplish the task. Such occasions happen at any functional groups such as auditing, finance, IT, human resources, sales and marketing. These cooperation and mutual assistance are basic requirements for global growth and success. The intention of making English as a common and corporate language is to improve communication efficiency and to accelerate to work across borders with ease. English is the best choice, considering its widespread usage and the large numbers of people who use it.

Today, a palm-sized machine is available to translate sentences from one language to another in text and even voice. Though it is very handy, practical and convenient for traveling or shopping, there are still some limitations for business use. The speed of the progress of technology and advancement should not be underestimated, and we may see remarkable inventions in the near future. But, complete dependency on machines is still questionable at this moment. Machines tend to only be able to translate words or simple basic sentences into other languages, but it is still not direct communication.

When we listen to Japanese translation (from English), we perceive the content in Japanese through the translator's understanding and his/

her word selection in our home country's cultural context. When we hear a speech in our mother tongue, we can capture the meaning without any pause, as it comes straight into our brain. Translation needs a time interval between the speaker's statement and our understanding because another language is involved. Due to its nature, translation has a certain risk to create subtle differences and perhaps a perception gap which may contribute to misunderstandings. Translation takes time, and a conversation may end up taking at least double the time compared to one in a single language. This is considered neither economical nor efficient. Today, speed is a fundamental element in business, and single language communication must be the first choice.

If a Japanese executive speaks only Japanese, there is no other alternative but to depend on a translator. The executive does not understand what is said in the translated language. Translation weakens the density of messages and passion. Executives often ask casually the Japanese expatriate to translate the message. If an expatriate looks to have good command of English, the executives may think translation is an easy job. However, good performance in a certain professional area does not mean that person has competent translation abilities in an unfamiliar area for example, people in finance translating for production, or human resources for IT topics.

The English needs are different depending on the company situation and strategy, and how it makes an impact to operation also varies.

1）Foreign Companies

Often referred to as foreign companies, these are typically "Japan-based non-Japanese companies." A survey by the Ministry of Economy, Trade and Industry（METI）reported that one of the top four factors inhibiting business expansion in Japan is the difficulty of securing personnel. Furthermore, the reasons are summarized to the following four points: ① “Business communication difficulties in English”; ② “High standards of compensation such as salary, etc."; ③ "Lack of mobility in the labor market"; and ④ "Recruiting and hiring costs"[8]. There were 3,217 valid respondents out of 5,662 firms in 2017, and the sum of full time employees from these companies numbered 519,000.

It should be noted that the parent companies of only 23.9% out of 3,217 firms who responded are in the U.S., while Asia accounted for 25.7%, and Europe 44.4%. This shows that the majority of the home countries of most foreign companies do not have English as their first language. It also suggests that English is required at most foreign organizations, and it is a common business practice. The shortage of people with English skills is a serious obstacle for companies to run businesses efficiently in Japan. The four reasons above are more or less language related. High standards of compensation are directly linked to the demand and supply of English capabilities. Extra skills, not limited to language but whatever they are, require additional compensation on the top of the regular salary because of its extra value in the labor market. Additional time and money were invested to acquire the extra skills in addition to regular school education. If there is enough supply, the additional compensation would be much smaller. "Lack of mobility" mainly comes from the practice of long-term employment in Japan. In addition, there is a negative perception of foreign companies relating to radical lay-off practices which may create an unwillingness to change over from Japanese firms, and worrying or hesitating to enter a working environment that primarily uses English, which is different from using English in a Japanese company. The structure of recruiting and hiring costs is the same as Japanese companies. However, since having a language skill creates additional value, it easily raises the recruiting agent fee which is calculated based on annual salary.

Among local employees, Japanese is the most effective for daily operations. In commercial discussion with local customers, any foreign language is not involved regardless of the topic. English is required when they communicate with expatriates, corporate or regional offices, or visitors who are indispensable elements in foreign capital companies.

The examples here are mainly about operations in Japan, but similar situations can be observed in other countries. There are two categories: one is a company which started as a wholly foreign company and the other one is a company that becomes a foreign one by acquisition.

a) *Wholly foreign capital from the beginning*

In this category, the ability to communicate in English is crucial, especially for those in management positions. Discussion and networking with corporate and regional officers, presentation, and most day-to-day operations are carried out in English. Without it, the potential success in their career is limited and doubtful. Due to the importance of English and the compatibility of values to the corporate atmosphere, interviews at start-up operations and for supervisory positions are normally conducted by the corporate or regional managers who speak English. Consequently, most employees are bilingual. They contact the appropriate people at the overseas offices directly, and they consider themselves as a vital member of the global business team. Everyone understands the language and exchange insights at each level in the organization. There is little language privilege or advancement since almost everyone has an appropriate level of English proficiency.

As the company grows and local managers start to interview candidates, they put more focus on business experiences and job skills during the screening process, while appreciating English skills. In the fast-growing path, more hiring is required and sometimes English proficiency is compromised. This may cause some operational difficulties such as a slowing down in work processes because of relatively weak language skills which require assistance from other people.

b) ***Japanese company acquired by foreign capital***

The employees who joined the local company and probably thought that English would never be used in their career, were suddenly informed that the company was now a part of a global conglomerate due to acquisition. The employees then face the reality that many discussions and documents would now be in English. The company does not ask for all the employees to communicate in English, but they may find themselves in an unexpected environment where they have to use English and consequently, feel inconvenienced and frustrated. It is an unforeseeable situation for the employee, and there is no other choice but to live with it. Some cases are still in our memory: Nissan Motor joined Renault (France) umbrella in 1999 and indirectly Mitsubishi Motor in 2016, Laox was acquired by Suning (China) in 2009, Renown in apparel industry by Shangdon Rui (China) in 2010, SHARP joined Hon Hai Precision Industry (Taiwan) in 2016. TOSHIBA divested and will divest some of its business units to some foreign companies to streamline and focus on selected fields. Mergers and Acquisitions (M&A) are not limited to large corporations or companies that are struggling financially. Any firms, regardless of their size, having leading edge technology, a strong presence in a niche market and good brand awareness are always good targets for companies that have aggressive growth plans and enough available cash.

Many local companies wonder how they can grow globally once they recognize the limitation in the domestic market. Some take the opportunity to become a part of a global enterprise outside of Japan and expect to increase their product sales revenue through the existing overseas distribution channel that the overseas company already has, and also to bring the group products into the local market to increase their local sales. They expect to expand their geographical coverage and increase the sales volume. Companies may look for financial leverage to improve their business performance. Some companies have a long history in the industry and people who have work there for a long time would probably have never dreamed of English being a requirement. But once they become a part of a global family, a large amount of discussion and reporting tends to be in English, including budget, forecast, strategy, product development, logistics, even in engineering and human resources. In addition, any response to the questions must be answered in English. Employees are asked periodically or on an ad hoc basis to participate in video conferences, phone discussions, making presentations, sending reports in English, and entertaining visiting business clients from overseas. Some may even be requested to visit the overseas offices. Many Joint Venture (JV) companies may fall in this category.

The local employees are not familiar with this foreign environment, and such a big change can happen all at once. They are at a loss on how and what to do, not only with the language, but with the different management style as well. Typical reactions are that it is the management's responsibility to deal with the overseas offices and visitors, and those tasks are not the employees' problems. They just keep on working as before and not deal with the changes and requirements. It results in a slow moving process or a perception as being stagnant from the outside. The local management may receive strong pressure to hire more people with suitable English skills and accelerate its hiring speed and business process changes to align with corporate directions. New hires, mainly managers, are armed with English but with less industrial or company knowledge. One of their most important roles is to translate the necessary documents into the local language or summarize them to let the local employees follow. Translation or summarization work consumes their time and creates an extra burden on them. Because of their language capacity, they may receive frequent invitations to overseas offices to discuss business issues, which are perceived as a privilege by the other employees. This may split bilingual employees from the local non-bilingual staff. English capability might become a seed of polarization in the organization.

By becoming a subsidiary of a large foreign corporation, domestic practices that have been in place for a long time must be changed and the foreign corporate value is incorporated into the local operations. Japan is a society where people have (or are expected to have) a common understanding and value. Such a society is called “high context”, while a “low context” society is one that has lots of diversities among people in value and detailed explanations are required to clarify the intended meanings. Japan is classified as a high context society and the U.S. is categorized as a low context one. American companies tend to provide their employees with very detailed regulations and operating manuals in English[9]. For example, a Travel & Expense Management Policy of an American company consists of 41 pages, saying that "all employees are responsible for reading, understanding and complying with this policy." The corporate policy is applicable to everyone and Japan is not an exception. The local employees have run the domestic operation in their own way for decades. Typical reactions include “We know what to do, and don’t tell us how to do it”, "Just tell us the objective, then we can figure it out how to go about doing it," “Why should we change?”, "We are different from them" which are unfortunately stated in Japanese, not in English. These are not language issues, but culture related.

Since there are a limited number of bilingual employees, and the rest of the employees neither appreciate the opportunities nor are willing to participate in any video conference or global town hall meetings carried in English, it leads to a large volume of information gap between those with English capabilities and those without. Having ample information is akin to having the power to make judgements or decisions. Better decisions can be made when the employee is more informed. Even though lots of information is shared with other non-bilingual employees, it comes via bilingual personnel and it is indirectly obtained. Intentionally or not, the given messages are selective. Accordingly, non-bilingual employees receive less information that sometimes might come with a bias, and bilingual privilege may have stronger influential power. It also accelerates the formation of informal groups or polarization and lesser commitment to the business by non-bilingual employees.

Due to political and economic stability, there are aggressive investments to Japan from overseas and it will likely continue. Once an investment from overseas is materialized, the company performance is disclosed globally and many services to the investors need to be in English. A weakness in English is or will be a bottleneck for global success sooner or later.

２）Japanese Companies

Plenty of Japanese companies operate globally and depend on overseas businesses today. In the case of Takeda（Takeda Pharmaceutical Company Limited）, 67% of their sales come from outside Japan, and their CEO is not Japanese[10]. 86% of the sales of Honda Motor is derived from outside of Japan[11], and about 55% of Ajinomoto sales come from overseas[12]. These companies have overseas offices in many countries with local employees.

As of October 1, 2017, there are 75,531 offices of Japanese affiliated companies outside of Japan[13]. This number represents only Japanese firms. It is easy to imagine the extremely large number of companies that operate outside their home countries and use English as a common language.

a）Japanese companies in English speaking countries

The local employees in this category are mainly native English speakers. They are born and bred in an English environment, and have a much higher language advantage compared to the Japanese assignees. Most employees are locally hired as it is convenient and effective to work in the local language. Though the employees and potential employees are aware that the company is Japanese-owned, it does not mean that they are expected to use Japanese language. When an executive in Japan sends a message in Japanese, it requires translation to make it work effectively. Accordingly, the assignees, especially managers, must have sufficient English communication abilities as the local employees have much higher language competency. In this environment, the requirement is accuracy, not sophistication. The contents should be crystal clear, with little room for causing misunderstandings. English usage with Japanese mentality or behavior may cause troublesome interpretations such as "intention vs. perception" issues which will be described later[14].

In most cases, expatriates from the parent company occupy managerial positions. This is quite common in multinational companies, though recently management localization has been accelerated for its cost and business efficiency. In some cases, even though the Japanese expatriates' English may not be fluent enough, the local employees utilize their intelligence to interpret what was intended to say. The messages given are mostly related to business performance, forecast, policy, strategy, or management philosophy. So, the contents are rather foreseeable, not extremely unique nor too difficult to understand. Also, the local employees, especially those in the U.S. do not hesitate to ask questions if the statements are not clear. In any case, the important thing is clear expression and persuasiveness so that it carries enough weight for the employees to follow and execute[15].

Most Japanese are nervous and hesitate to speak in another language, even among their fellow nationals, and are worried about losing face if they make language mistakes. Local employees show their sympathy for hardship of using other language. Even though it seems to be acceptable for local people to speak in Japanese among Japanese at a meeting, it has to be minimized. When local employees hear something in an unknown language, they wonder what the discussions are about. Writing Japanese characters on the whiteboard also creates uncertainty to local employees. Any conversation in an unfamiliar language leads to potential doubt or suspicion. Interpretation of the interaction completely depends on the person who hears the conversation or sees the writing, regardless whatever the intention may have been. Once it is agreed to use English as a common language in the operation, it must always be the governing rule.

b) Japanese companies in non-English speaking countries

Business activities are not limited to English speaking countries. Looking at the regions of the 75,531 Japanese offices overseas, Asia occupies 69%, Europe 8%, while North America only 13%[16]. In these operations, the company management must decide which language is to be used, i.e., the local ones, or any third language (most likely English). Japanese may not be an option.

A Mexico-based Japanese company is an example. Their national language is Spanish. If the assignees from Japan have a good command of Spanish, it is very much appreciated and helpful, but it is not always the case. There are much fewer Japanese who learn Spanish compared to those who learn English. At most schools, English has been taught as a second language in both countries. People are encouraged to learn it even after starting work. English is the most common language to communicate with middle and upper management levels in non-English speaking countries. In this environment, English is not the home language for both parties, and neither one has any language advantage. Both parties' English does not come up with "English" original cultural background but influenced from their own culture and practice. Both parties use English with a common sentence structure and words. In most cases, English expressions made by Japanese comes with Japanese cultural background and values, and the other party will likely understand it in their cultural context. It may create a gap of understanding and/or unexpected reactions. Also, it should be noted that in some countries, cultural practices like respecting those in higher positions and seniority may result in the employees not raising questions to clarify at the meeting even when something is unclear, this is quite unlike in the U.S. where employees would sooner clarify a point than leave it unclear.

English used in this environment is somewhat reserved. It is normally modest conversation because of the limited capacity of unique emotional expressions and the usage of slangs. Both parties are rather careful since the language is not their own. Even though English is used as a lingua franca, the interpretation and behavior are formed by the cultural roots of each respective country.

c) ***Japanese companies in Japan***

Rakuten, a fast-growing internet service company, announced in 2010 to use English as a corporate official language, and requested all employees to learn and improve their skills, targeting to reach a TOEIC[17] score of 800 in two years[18]. This move to use English was a sensational news for both the business society and students who are interested in such a young and energetic company. Rakuten has offices in over 29 countries and regions, with about 15,000 employees from over 70 countries and regions as of 2017[19]. The need is obvious from their characteristics of global operations.

Once operations expand across borders, it results in having offices, suppliers and customers located all over the world. Direct communication via a common language is a basic tool for global operation. The speed of single language communication is much faster and highlights the need for a common language across borders. It is required not only for business transactions, but also for internal communication amongst the branch offices. Communication in the same language accelerates the sense of belonging of the employees and unity[20]. Other companies besides Rakuten have also announced English to be their official corporate language. Some have started to implement it at certain departments, or to apply it to all employees with a transition period of several years.

English ability is required not only for existing operations, it is also vital to make M&A work effectively and successfully. M&A is an effective strategy for business expansion overseas. M&A saves time to grow, because of the immediate availability of utilizing existing resources such as products, sales channel, manufacturing capacity as well as human resources. Many companies including Japanese ones have overseas entities by acquisition.

Companies do not always disclose their required TOEIC score or specific target, but it is a general trend to acquire a certain level of English proficiency at hiring or for an internal promotion. Having a higher score is considered an advantage and English abilities as a hiring requirement is now nothing special.

It is easy to say, but difficult to execute. People realize that there is little necessity to use another language as long as they stay in their country. Employees may not feel the urgency of a common language in daily operation. It is a challenge for management to convince the employees otherwise and they are typically met with hesitation and resistance. However, the benefits of using the same language as a communication tool are enormous. Everyone in the group, wherever they are in the world, can directly contact each other. It makes it easier to learn and adapt the best practice in other countries into the local operation, which saves time. It is not only for the company needs among global businesses but also for overseas customers who are not necessarily based in English speaking countries. Having a common language is convenient for them. Convenience is a business requirement and it provides a power to move forward. Once most employees obtain English capabilities, it will accelerate the speed and effectiveness of the company as a whole to play a stronger role in the global market.

To be successful and grow globally, one solution is to let all employees be able to directly communicate across borders without any intervention. It may sound rough but this is an effective and quick way to deploy global operations. Because there are so many languages worldwide, it makes sense to agree to use one common language in business, which is English. It is true that many Japanese in multinational companies are assigned to an office in a third country and not where the head office is located. It means that nationality is no longer an issue and instead, those with English and professional skills can be utilized anywhere in the world.

3） English Proficiency – How to measure

Many schools, universities, business organizations have adopted TOEIC to measure English proficiency. There are a large number of test-takers every year and the consequent accumulated database has made it the *de facto* standard English test. TOEIC is a test of general English language proficiency – the overall ability to use English[21]. It was developed to meet the needs of the English working environment and the questions in the test are built to incorporate many situations that meet global business circumstances[22]. Before 2006, there were comments that the score did not properly indicate the other realms, i.e., speaking and writing, and the Educational Testing Service (ETS) added speaking and writing tests to the TOEIC test program to make it more well-rounded[23]. It is obvious that any score of one or two skills does not represent the other skill level and is not a substitution for others[24]. Many studies have shown good correlation between the four skills: speaking, reading, listening and writing. One of the analyses reported a 0.76 correlations coefficient between the listening and reading skills (among passive skills), 0.66 between listening and speaking, 0.59 between listening and writing[25]. A high correlation does not ensure a 100% match but suggests high probability. There are many academic studies about the correlation between the four skills[26]. Passive skills (listening and reading) are a foundation of productive skills (speaking and writing) [27]. According to the proven correlations between passive and productive skills, a TOEIC score seems to indicate proficiency in English overall.

There is some guidance to suggest that it can be assumed that test-takers with scores within a certain range have the ability to perform in an English environment. However, the test score is obtained in a testing room, not under real business conditions. In a business environment, things are not as simple as being shown the sentences in the test and correspondence are made in complicated situations. Accordingly, even if the test score is high, the person needs a lot of experience in real situations to be able to handle the situation adeptly. In addition, language proficiency is a part of communication, and to make communication effective, logical and persuasive skills as mentioned earlier are required on top of listening, reading, speaking and writing.

Language fluency does not mean cultural sensitivity. Language is but just one portion in global communication. Besides English as a common language, we must be careful about the cultural differences among people from different countries. There are many things which may work fine in one environment, but can be totally unacceptable or questionable in other environments with divergent norms and practices. One of the drawbacks of using the same language in different cultural environments is that miscommunication and misunderstanding can happen easily, unintentionally and unconsciously. Effective communication is formed by language and behavior together. Our behavior reflects language usage and cultural differences while preconception may lead to misinformation or conflicts.

3. English and Culture

We learned English as a foreign language, mainly American English. When we use English as a lingua franca, there is another important aspect to consider. It is culture. Language has been developed based on culture and similarly, English is also influenced by the culture where the parties of communication have grown up. Many languages exist around the world, and are surrounded by various environments. When Japanese use English, it is normally used with Japanese culture in mind and a non-Japanese recipient is likely to perceive the statement with their cultural background or a different assumption. Though it may be a common mutual language, there is always potential for a gap between intention and perception.

1）Japanese Behavior and Its Root-How English is used in relation to that

Japanese are expected to maintain harmony in society, which is a wisdom oriented from living in a relatively small country. Harmony is a kind of balance and sometimes means compromise. Japanese normally do not prefer “absolute correct” nor “only one correct answer" in society. There are several angles to look at an issue and consequently, there must be several answers. There is a Japanese proverb that says, "Everyone has his own idea and taste." The conclusion which we reach must be always relative. It allows for a "yes and no" type of response. Though it seems contradictory on the surface, this is nothing strange from a Japanese point of view.

When Japanese are asked "Do you think you can do it?", sometimes the response is, "I think so." It is grammatically correct, but it sends a somewhat negative message of having a lack of confidence or not being too enthusiastic about the task. In this context, the word "think" retains room of uncertainty or vulnerable confidence. In general, overconfidence is not highly appreciated in Japanese society and if a person shows robust confidence, it looks haughty and impertinent. Consequently, while expressions tend to be softer and conservative, the response in other social contexts need to be much clearer with positive attitudes such as, "Yes, I am confident," or "Yes, I am sure I can do it," if he/she really believes so. Modest explanations are preferred in Japanese society, instead of direct and strong wordings. Keeping away from direct wording comes from culture, which prefers everything to be relative and to avoid conflict.

Confrontation Avoidance

Avoidance of confrontation is a fundamental characteristic of Japanese people. Conflict or disagreement in front of people or to seniors is not considered good behavior and not recommended. Confrontation in a meeting is perceived as rough and rude. People tend to avoid direct quarrel and disagreement. Consequently, negative comments are sent indirectly. These are typical practices in Japan, while it may not appropriate in other cultures. Here are some examples.

"Yes, but........" is a frequent response. In the Japanese context it means, "I understand your points, but I have some concerns." Once we say "no", the reasons should be explained and fighting discussion may occur. Debate has not been well practiced at schools, since it is a discussion with conflict. This approach of non-confrontation prompts Japanese speakers of English to say "yes" to avoid hard discussion. "No" is confrontational which Japanese generally try to avoid. So, "yes" does not necessarily mean agreement but "I am listening"[28]. Such statements make non-Japanese confused and frustrated, since it sounds like "I agree, but I disagree."

Responding to a certain request with "it is difficult" is most likely a negative, or a declining message. "I'll think about it" or "Let me think about it" is another way to suggest a negative response. It is an excuse to avoid immediate conflict and to earn time to think about persuasive reasons or justification for refusal. The speaker instinctively responds negatively in mind, but for some reason, time to consider is needed, or to demonstrate respect to the question or comments. Especially in an environment with those in higher positions or respected people (such as teachers and bosses) or clients, a direct negative response is normally avoided. Straight refusal or disagreement may be perceived as a personal attack or an insult. It is a custom to show respect to them and not cause them to lose their face, damaging both pride and image[29], in front of others even though this behavior is acceptable and encouraged in other cultures. Instead of raising objection, Japanese send a message that we are listening and paying attention. It is a well-behaved manner, that allows the situation to cool down in a Japanese environment, but does not work in other cultures. It may be interpreted as the speaker not having enough confidence or capability to express his/her opinion.

"Say what you mean and mean what you say" is an American adage. Americans believe that the most effective way to resolve a conflict is to confront the issues[30]. Once defining the root of disagreement, conflict is to be resolved constructively. In U.S. business environments, people are encouraged to have constructive conflict. Participants have various aspects and different interests. Conflicts are nothing unusual. Discussion is analytical and objective. Accordingly, clear statements with reasoning are encouraged, but just diplomatic opinion does not help any. Through serious discussion, people take many aspects into consideration. This leads to better solutions, which will result in high organizational performances[31]. In Japanese circumstances, conflict easily becomes emotional and evolves into personal attacks or criticisms, which linger long after that moment. The other party may take it personally and not objectively.

It is true that Japanese are quiet and do not speak out at meetings, while American or Chinese people express their opinions aggressively. There are a couple of reasons: we are not well trained to speak in public; we think someone else will say something, not necessarily us. These are true even in a Japanese environment. In addition, in an English speaking environment: we have less confidence in language and worry about how to express our opinion in English; it takes time to react because we often think about the topics in our minds in Japanese first before replying in English; interruption is not appreciated during a meeting or when someone is speaking; and listening first is common practice. Even when we are encouraged to speak up, many still keep quiet. This behavior pattern may change since debate exercise has become part of the school education, but will take time until fully utilized. Being quiet does not provide anything but creates a perception that the participants may not be interested in the subjects or does not understand the conversation at all.

At small formal meetings, such as with customers or senior people, Japanese normally do not interrupt while someone is talking even if we may have comments or questions in mind. We think that interruption causes stoppage of talking and disturbance to the meeting[32]. When the speaker has finished talking or when they encourage the participants to raise questions, that is the signal allowing others to speak up. Until such a time, all attendees are expected to be quiet and focus on listening to the speaker who is supposed to control the stage. In some other countries, a question or comment can be raised anytime even while the speaker is talking. They think it is necessary to clarify any unclear points before going further. If the audience is not clear about any points and making additional explanations would be helpful for clarification, it makes sense to stop at that point and clarify. Otherwise, having to return to the point after passing through and explain it for clarification is a waste of time and can be confusing. If the participants come from different cultural backgrounds, and are using a common language, either party or both may be frustrated or embarrassed due to the timing difference of stepping in. Asking "May I interrupt?", or "May I ask you a question?" while someone is talking may be a good solution.

Clarke pointed out the differences in learning styles between Japanese and American. "The (the) style of the Japanese is to listen, observe, and then repeat what was demonstrated, while Americans listen, clarify the information through questioning the trainer, observe, clarify with more questions, and then repeat what was demonstrated."[33]

"Tatemae" and "Hon-ne"[34] are other symbolic ones. "Tatemae" means a nice opinion, politically correct or diplomatic response which is expressed in public or in front of senior people including customers. Because it sounds nice and comfortable, the speaker does not have to worry about what is said, and how it is perceived. On the other hand, "Hon-ne" is an honest opinion which may cause confrontation if stated directly and openly. "Hon-ne" is usually shared among colleagues, friends or in off-line conversations. Both "Tatemae" and "Hon-ne" are expressed with appropriate sentence structure and words. Stating two different or sometimes opposite opinions are usually thought of as hypocritical which then creates a perception of dishonesty.

"Nemawashi" is also well-known. The word "Nemawashi" came from planting, digging around the roots when transplanting a tree or flower. When we fail this process, the plant will not grow after being transplanted. It can, in a sense, be interpreted as "good preparation." Before an important meeting to make a big decision, for instance, people make efforts to have an informal discussion with the key managers and reach a consensus in advance. The purpose is to have them involved and understand the points prior to the formal meeting. It can be understood as a buying-in process. It is a way to let the topic go through smoothly. By doing so, serious arguments or severe confrontation is avoided, and the meeting is held for a formal discussion and approval is to be made without disturbance.

"Ringi" is a similar practice. "Ringi" is sometimes translated as "internal decision request." Meyer calls it "Hierarchical but Ultra-Consensual[35]." Ringi-sho is a circulating paper for internal approval. Instead of having a formal meeting, a proposal is prepared in writing and is passed to the members or managers for review and approval. Each one is required to put their personal seal to show agreement and with comments if necessary, and pass it to the next person. Questions can be raised in writing or even by calling the proposer to clarify. Additional information is attached to the paper for better understanding. The benefits of this is to get the agreement relatively easily, because it is processed one person at a time and brings neither disagreement nor disturb or influence others. Sometimes it takes time to go through because people miss the paper in the pile on the desk. The disadvantage of this is the difficulty to find the person who is ultimately responsible. Since everyone puts their personal seal, it looks like everyone is responsible, but there is a potential risk that no one takes it. It may look like a waste of time passing the document around compared to have a meeting, since everyone has to spend time to read the paper separately, and finally it is unclear who holds the responsibility.

In a high context country, people do not necessarily explain details. They can grasp the meaning of messages even if it is not clearly worded. People are expected to understand each other based on commonly shared knowledge and values together in a closed cultural environment[36]. The vagueness does not come from its language uniqueness, but it is part of the culture which has been cultivated over a long history. Japanese prefer vague expressions which are soft and modest. It is common in Japan to expect people to read between the lines or be intuitive (read the air)[37]. The hidden meaning behind words are supposed to be captured without any further clarification. As far as having a common understanding and practices in a high context environment, it works but not always. Perception gap is possible even within Japan. For example, in some regions, an invitation to a meal is not supposed to be taken at first offer[38]. It only becomes a real invitation after the offer has been repeated three times. Interpretation of the messages depends on the guessing ability in the region or in the given environment.

Considering these cultural factors, some Japanese behavior may be understandable for non-Japanese.

2) Differences in Customs

If we believe our way is appropriate and common wherever it is, it may cause unexpected results. We are surprised to see many differences.

a) How to call a person

We are taught to call people by their first names in western countries, especially in many English-speaking countries. We call them even with their shorter names such as "Ginny" for "Virginia", “Beth” for “Elizabeth”, "Bill" instead of "William", "Ed" for "Edward", regardless if they are friends, colleagues, bosses, CEO or the Chairperson. We assume it is a common practice in western countries. However, when traveling to some European countries, it is neither common nor appropriate in a business environment and calling someone by their first name is rude and embarrassing. They are called with their appropriate titles of Doctor, Professor, Mr., Mrs., or Miss. to show respect. Customs are different.

On the other hand, at most Japanese companies, senior ranking people are called by their job title with their last name, like "Tanaka Manager", or only the job title without their last name. In Japan, first names are only used in very close relationships such as among family or close friends. If someone is called by their first name at a company, it is embarrassing for that person. The only places where calling someone by their first name at a business is found will be at relatively small foreign companies. Instead, "san" is commonly used, which is similar to Mr., Mrs., or Ms., and putting it after their last name, "Tanaka-san" regardless of gender and age. Though calling by "family name and san" has become popular, traditional Japanese firms still use the family name and job title when referring to other staff.

In Western writing, it has been a formal manner to put titles such as Mr., Mrs., Mr. & Mrs., or Ms. before the name on the envelopes[39]. Up to quite recently, Ms. has been commonly used for women, despite their marital status. It seems to be not as common now. These titles are currently omitted on envelopes in many official and personal letters. As we thought these titles shows respect, it looked rude when we saw names without a title for the first time. However, the stated information about gender or marital status on envelopes does not serve any purpose, and such indication may cause discrimination or potential crime. Considering the current social move, it is appropriate to omit. In Japan, however, adding "sama" using the Chinese character after the family or full name is normal practice. "Sama" shows respect and does not represent gender nor marital status.

Job titles used to be gender separated and that has now changed. For example, a Chairman is now referred to as a "Chairperson". The importance is the function, and gender has nothing to do to the job. Other examples include, police officer instead of policeman, cabin attendant instead of steward or stewardess, server instead of waiter or waitress. It is a general trend not to distinguish the job names by gender. We do not pay much attention to these in Japan, but our unintentional use may embarrass people.

Another interesting expression of title was observed during the Presidency Election Campaign and the Inaugural Address in the U.S.. When Donald Trump as a presidential candidate called Hillary Clinton "Secretary" as another candidate without using the word “former” at a public discussion even though she was not, at that time, in the position of "Secretary of State" any more. At the Inaugural Address, the newly elected President Trump started his speech by saying "Chief Justice Roberts, President Carter, President Clinton, President Bush, President Obama, fellow Americans, and people of the world" without attaching "former" to the presidential titles. These former presidents participated in the ceremony, but they were no longer presidents at that point.

b) ***Job Application***

It is normally required to submit a personal history or a Curriculum Vitae (C.V.) for a job application. There are some major differences between Japan and western countries when it comes to submitting paperwork. In the regular Japanese format, there are spaces to write down the date of birth, and gender. Age information such as whether the applicant is over 16 years old, may be necessary from legal standpoint, but why is the exact date of birth required? Also, why is gender information needed? Some may say that gender is useful information for the nature of the job. For instance, loading work at the docks may not be suitable physically for women. However, it is not necessary for the company to worry. Instead, the applicants are able to choose whether they want to apply for the job or not after considering the job description. Companies need to open their doors, and any information which may result in discrimination should not be requested. We may think it is nothing wrong to think about the physical difference by gender, but it may cause serious problems and we need to pay enough attention on these matters in Japan or at Japanese companies overseas.

In addition, in Japanese regular personal history format, there is a space for a head shot. This is not appropriate at least in the U.S. for job applications. The justification of putting a photo might be for identification at paper examination and interview. Having a photo on a personal history document does not provide the company with any valuable information in terms of skills that can be performed. Candidate screening should be judged solely on professional experience, skills and proven track record. This has been a long practice but one that needs to be changed. It causes problems if we carelessly ask the same in other countries or non-Japanese people in Japan.

Another difference in C.V. is the order of sequence of events. In the Japanese format, it normally starts with academic background and professional experience follows and the order is chronological. On the other hand, in a western C.V., professional experience comes first and then goes to educational history. In addition, it is in reverse chronological order where the most current one is on top. From the company’s point of view, the most important information is what the applicant has done recently and what the company can expect immediately. The latest information provides the hiring manager with the current ability which might be applicable to the company. Such information should come first. Having the academic background come first like in the Japanese format means little, especially for mid-career employment, because formal education may have been many years ago. The C.V. is a document to show the potential value of the applicant. In the Japanese format, applicants write only the names of departments and companies in many cases, but these information indicate only the belongings and does not help in making a positive assessment. Submitting a Japanese style C.V. in other countries does not work effectively nor make a good impression.

c) *Cash Management*

As it is said "Cash is King," and cash management is a very important element in business. Giving a gift of cash is a challenging one. It is a normal practice in Japan to give a gift of money in a specially designed envelope on happy and sad occasions such as birth, marriage and death of employees and their immediate family members, as well as of business partners. The issue was raised during audit. Though it is a normal practice in Japanese eyes, giving cash without receipt is incredible from an American management standpoint and it may be perceived as an inappropriate transaction like fraud. While both parties understood the objective and agreed to show celebration or sympathy, there was a conflict on how to manage it. After a long discussion, the agreement was to present a gift or a funeral wreath in the case of condolences within the upper limit the company has set. The set upper limit was to be the same as the cash payment which was done previously. Then the company can receive the receipt for the gifts as well as show our congratulations and sympathy. In either case, gift coupons are not allowed as it can easily be changed into cash. The point was to reach a mutual understanding and think of a solution from there. It was a cultural challenge.

Related to cash, payment terms in Japan are questioned by American managements. Promissory notes are a typical form of Japanese payment practice. It is similar to a check, but it is not usually changed into cash until the maturity date comes to term, and unless the note receiver agrees to accept a discount from the face value stated on the note. The period till reaching to maturity is rather long, for example 90 days or even 180 days. From an American point of view, a promissory note is just a piece of paper until the due date comes and the buyer which issued the note might be bankrupt before the maturity since the "waiting" period is so long. In that case, the seller may not get the money and has to accept a large loss. Though the seller records the amount as sales revenue, it is still in receivable account and not cash. From a Japanese view, issuing a promissory note is a common payment practice and failure of payment means to lose face in the business world. We often say that Japan is a society based on mutual trust. But this explanation is too much spiritual and not persuasive. The common goal was to ensure a cash receipt and the solution was to make the waiting period shorter and accelerate cash payment.

d) <u>Hierarchy and Organization</u>

An American CEO of a Japanese subsidiary does not have the same interpretation on operational responsibility, compared to a Japanese CEO overseas. The American CEO thinks it is neither appropriate nor necessary to get approval from the head office about operational issues orally or to inform it in advance as a courtesy. The CEO is responsible for the local business and accepts the consequences for better or for worse. The local issue is the CEO's arena and he/she has honorable pride to lead the operations. When a company becomes a subsidiary by M&A and the CEO remains as is, the pride seems to be stronger compared to being a CEO assigned from the parent company. On the contrary, the Japanese CEO takes a safer route and makes sure that action taken is within the given authorization, regardless if it were written or not and even if there were no concerns there. The Japanese CEO overseas is usually an expatriate dispatched from the head office and is concerned about their own future career in the company. They show obedience to the head office out of politeness and it is also expected of them. In general, the Japanese business mentality is that a subsidiary is perceived as second class[40]. If a Japanese corporate executive states a comment with such a mindset, it will appear in the language or expression which results in the perception of insulting and disdain. Then the relationship goes rough and affects the building or maintaining of a sound partnership. The Japanese head office management may think that the American CEO is misunderstanding the position. This is caused by a gap in interpretation and practice of the position.

The job title is reflected to policy application in Japan. Japanese organizations generally have more layers compared to American firms. Having a thicker organization provides employees with many job titles in hierarchy and privilege respectively. It leads to a variety of treatment in several areas. For example, Japanese company policy usually has a clause of travel class, hotel grade and per diem according to the management layers. On the other hand, American policy says "International/trans-oceanic flight exceeding 6 hours or more (excluding stops) per leg may be booked in Business Class." This rule applies to every employee equally across the organization, regardless of managers or new graduate employee. Some other company policy may state that everyone is required to use coach class including the chairperson. It is hard to accept for the Japanese executives, because it is widely perceived that treatment should be different by position. Some people think that it is a privilege because they have worked hard. These attribute to corporate and national culture.

Matrix management is widely seen in American organization, while it is hard for Japanese to understand and to work under this arrangement.

In a matrix organization, an employee has two or more bosses to whom he/she directly reports. For example, an employee has two bosses: a local sales manager and a global product manager. Local sales personnel are responsible for profitable sales in the domestic market, while the global product manager is responsible for the specific product line profitability. Conflict of interests between these two may happen. A local sales manager instructs to sell a wide variety of available products for maintaining good profitability, while a global manager directs to increase specific global products which have been widely sold in the global market but occupies a small portion in local sales due to severe price competition. When local sales shift their efforts as being requested, the local sales revenue and profit may decline because of hard pricing conditions and decreasing higher margin products sales. Is it an acceptable result from the point of the local management?

Under the same situation, there comes a time for the performance evaluation of the employee. The assessment is linked to compensation review. The review should be done by two bosses, i.e., local sales manager and global product manager. If the sales personnel fail to increase global product sales, the global manager may give a low appraisal, while the local manager may appreciate the employee because he/she maintained a certain level of profitability by keeping a wide variety of sales which was against the global manager's instruction.

Such conflict of interests happens in a matrix organization and the parties must solve the issues. The challenge is not language itself, but how to balance between these two different interests. Matrix management is not suited to Japanese culture and such complaints do not provide any solution. This is the nature of business.

3）Interpretation Difference

Even using the same word, sometimes the definition or interpretation may be different and such differences can cause confusion.

Japanese bonus has been a challenge for Human Resources Manager at non-Japanese companies in Japan. This is due to the interpretation of one word "bonuses." The word "bonuses" in English is a term that refers to an extra amount of money to be paid to the employees who have made significant contributions to the company. On the other hand, "bonuses" in Japanese mean "seasonal payment" which has been customarily paid to all employees though the amount varies by employee. It was a big challenge for Japanese entities to put it into the budget and arrange the payment. Despite using the same word "bonuses," the interpretations were different. The explanation to the corporate office was as follows: In Japan, the basic annual salary is divided by sixteen months, for example, and the monthly salary is paid equally for twelve months. Half of the remaining four months is paid in summer and winter respectively. The total fund is to be distributed to all employees taking individual contribution into consideration. Accordingly, even if it is called "bonuses," it is in reality, a "deferred salary without interest." If the corporate management does not like this arrangement, the basic annual salary is divided by twelve instead of sixteen and paid out equally every month. However, it will make an impact to the retirement allowance fund calculation, because the amount of monthly salary becomes higher. This may also involve a union negotiation. The corporate management understood and accepted it. Since then, the word "incentives" is used instead for the American meaning of “bonus”.

"President" has some interpretation variance in Japan and the U.S.. In the Japanese context, "president" of a corporation in general stands for the head of the corporation and this person has full legal power over the entity. In American businesses, on the other hand, it means the head of a business unit in many cases and is operational, not equal to a legal representative. Translation of this word into Japanese, especially on business cards, causes misunderstanding. When "President" in English is translated into "Shacho" (the head of company) in Japanese, the interpretation is that person has the highest position at the company as a legal entity, even though that person is just a head of one of the business units in a large organization. In the same manner, vice president in an American firm means senior division manager of a business unit, following the "president" but not following to the president position as legal representative in the Japanese context.

The "Director" title is another example. Sometimes "director" indicates a managerial position in a business unit, and a position that normally has subordinates to supervise and power of budget execution based on the company strategy. In some other companies or in other countries, "director" means "a member of the board of directors" whose function is different from the operational one. Board directors are a group of people who oversee the corporate activities and do not have direct operational execution responsibility. We need to see which the director title means in an organization.

Another similar example is "leader." "Leader" in English terminology is a person who leads a task and has neither formal management authorization nor subordinates to supervise in the organization. A leader plucks the team members by their vision and passion and is independent from organizational layers. On the other hand, "manager" is a person who has clear responsibility and formal authorization in the organization and has subordinates to manage. In Japanese companies, however, "leader" is sometimes used as a position in a group, which is smaller than a department, such as a group leader in formal organizational structure. In this environment, leader means a management position, while it is different from the normal definition.

PR is another one which is often confusingly used with advertisement in Japan. PR in English is the abbreviation of Public Relations, which indicates, according to the American Heritage Dictionary, "the methods and activities employed to establish and promote a favorable relationship with the public."

It is different from advertisement. PR is to improve the corporate image and its activities includes development of good relationships with the media, society or investors, while advertisement is the activities to purchase space on newspaper or TV to promote sales of products or services. Advertisement is managed by the sponsoring company who spends money on specific products or services to promote and the media accepts the requirement. On the other hand, though the contents of PR are prepared by the company, the media is responsible and they decide when, what and how to inform the contents. Advertisement is controlled by the sponsor, but not in PR.

The word "professor" in English means a hierarchical position in academia at a university in the U.S. or in Japan, while it stands for "teacher" in Spanish regardless if they are full time, part-time, or a guest speaker. We assume the word with the same spelling must have the same meaning in similar organization structures but it is not always the case.

4) Preconception

Preconception is the knowledge and experience which we believe to be common to everyone but which is not always true.

It is said that Americans usually start business topics directly from the beginning at a meeting, while others begin with small talk such as weather or other topics which are not related to business. It is true, but relative. At an internal meeting, people may chat normally before starting the formal discussion. When a chairperson appears, they start the topic of discussion. No specific time is set to spend for socialization in the meeting, but it exists. At a meeting with outside people, guests and visitors from subsidiaries in the U.S. they would be asked how their flight and hotel were, and the economy in general. The time to spend on such socialization is not long and varies, but it is common to have the time before entering the main business subject.

Gesture is another illustration of preconception. In some countries, nodding sends silent agreement. However, in Japan, nodding is a sign that shows "I am listening (regardless of agreeing or disagreeing)," or "It sounds to be logical or understandable according to your way of thinking (despite having different opinions)." Nodding demonstrates respect or appreciation to the speaker, not necessarily agreeing to the message. A similar example is shaking your head slowly. In Japan, it means, "It is too bad," or "I do not agree," while in some other countries, it means "I understand," or "Indeed," though movement of the head is slightly different. If the speaker immediately reacts to such gestures without knowing the practice, it may cause a hard time.

It is said that people in general like jokes. Many people use slang, and some use irony. Jokes soften the atmosphere, but sometimes those cause embarrassment, insult or discrimination. Having heard slang so often on TV, movies, or in native conversation, we recognize and perceive them just as a common expression in daily conversation. Slang or coarse words are not appropriate to use until we have full confidence what those words really represent as intended[41]. Once we become fluent in English, we are tempted to use slang to show fluency to others or try to use it in a similar situation like what was seen previously on screen or in speech. We normally do not have sufficient knowledge to discern the circumstances where we can voice them. Irony is not the same as sarcasm which may cause emotional agitation. Irony requires intelligence development and a brushed-up sense of humor in the given environment. We know British people love it, but we don't know if our irony works as expected in the different social environment. It completely depends on how the listener perceives and interprets it.

We think “on time” is a commitment and common sense. The Japanese train system is quite famous for punctuality. Passengers often hear an announcement of a conductor on the train apologizing for a 2-3-minute delay. Punctuality is a part of Japanese culture and it is required at meetings and appointments. When we are invited to dinner, we are expected to be at the place at the exact time as agreed on. It is same in Germany. However, it is a normal practice to come 30 minutes or so late in some countries, although at the same time "being late" is not always acceptable in the same countries. For example, students are expected to be on time at school. Japanese are generally very punctual and tend to criticize lateness, but a delay is not always a bad behavior depending on the situation. Punctuality is not a universal rule applied to all occasions to keep but varies. We need to be flexible and use the host country's practice, so that social activities would go smoothly.

Categorization sometimes creates preconception. It is risky to divide everything into given boxes. We take the U.S. as one large group, but in fact it consists of many regions which have regional cultures and religious influences. In the similar way, many of us think that both the U.S. and U.K are almost the same, but they have different cultures and practices. British people love irony, as Bernard Shaw is often quoted while Americans do not do so as much. It is said that Americans are open and direct, but it is relative and depends on the region. While being open is appreciated, some topics need to be averted since it may cause discomfort among the participants. Religion is normally invisible from the outside, but it occupies a central role in the people. Careless discussion, especially making negative comments or criticizing a certain religion creates an unpleasant atmosphere. The U.S. is vast and there are many regions. Eastern American culture, especially in New England, is rather conservative and traditional compared to say, California in the west, where people are more casual. In general, Americans are individualistic, but it depends on the location. At Amish country in the U.S., people are mainly engaged in farming or carpentry and they maintain high values in their family and society. They are far from the category of individualism. In addition, lots of immigrants live in the U.S. and they came from many other countries, and they keep their culture of home countries.

That is why the expression of "salad bowl" symbolizing diversity is used instead of "melting pot".

When we say "American," who does it refer to? Some people mean the people living in the U.S., and some say the people who were born and bred in the U.S., or the people who have U.S. nationality. The U.S. has many immigrants from all over the world, and they have their own cultural backgrounds. In the European Continent, there are also many immigrants coming from Eastern Europe, the Middle East and North Africa. Categorization is one means, but it always has a risk of putting different things into the same box.

Meyer developed the cultural map based on her research. She analyzed people's behavior based on eight factors: communication, evaluating, persuading, leading, deciding, trusting, disagreeing, and scheduling. In a high-context culture, where Japan, Korea, China and Thailand belong, we tend to have a long-shared history and have more shared context among community members[42]. When we speak to people who are from low context cultures like the U.S., Canada, Australia and some European countries, it is unreasonable to expect same reaction or understanding as in a high context culture. There are different rules even when we use English as a lingua franca. To make the message be understood clearly, the sender in the high context needs to avoid vague expressions and not expect the receiver to read between lines, but use clear and explicit words and to confirm their understanding of what was meant.

Both China and Japan are categorized as high-context. In decision making, while Japanese tend to have consensus, Chinese think top-down is the way[43]. If a manager asks about the decision to the employees in a "top-down" cultural environment, the perception may be "it is the manager's responsibility and that is what the managers are paid for," and the manager may not enjoy respect from the subordinates. So, it is relative depending on the subject and categorization, and preconception is inappropriate.

We may have a preconception about our religion. When Japanese are asked about their own religion, many responses are "I have no religion." Is it true? It has been observed that activities at temples, shrines, and churches are mainly related to ceremonies such as weddings, births and funerals. We do not have close ties with religion in our daily lives. But the question of religion is about our soul. According to a survey, Japanese religions are mainly Buddhism and Shintoism. Christianity occupies only 1% of the total population[44]. Many may not say, "I believe in God," but some solid belief in our mind exists unconsciously. Though categorization into existing religions may not be explainable, our behavior such as "worshiping the first sunrise" on New Year's Day and saying "Itadaki-masu" (bon appetit) before eating can be explained to our beliefs somehow. "Itadaki-masu" is an expression of showing appreciation for the food that offered their lives for us and the people who made it possible. It is similar to saying grace. Japanese appreciate nature such as mountains, trees, seas, stones and other natural things where people believe souls exist. That is a part of our culture. We can explain these as our soul base even though we do not call it a religion. Instead of responding "I have no religion," some explanations can help non-Japanese understand Japan and Japanese people a bit better.

4. Conclusion

Japanese companies' activities have expanded overseas, and aggressive global M&A have been accelerated as well as an increase in foreign capitals' coming in. English has been changed from "a foreign language" to a common language as "lingua franca" among non-native English speakers as well as with native speakers. English is now what we "need to have" and the needs will be much clearer and stronger from now on.

English as a lingua franca is an indispensable part of global communication. It has common grammar and vocabulary, and there are many common expressions we need to learn that sound natural and smooth. Passive skills (listening and reading) have high correlation to productive skills (speaking and writing), and TOEIC scores are interpreted as representing their general English capability. Learning grammar is essential to make sure to have appropriate English. Even though conversation occupies a major portion of our daily communication, it does not justify discounting the importance of reading and writing skills. We have to develop the four skills of reading, speaking, listening and writing in good balance. In a complex business world, all four skills are equally required.

In the process of learning and brushing up our English, we may easily overlook the cultural aspect, believing we can communicate with anyone overseas because we can speak English. Miscommunications have been often observed when a learner starts to have confidence. There is a high risk to make mistakes when one behaves without knowing the cultural differences. There is nothing wrong with confidence, but overconfidence is dangerous.

Effective communication consists of language, knowledge and behavior including cultural awareness and respectful attitude. Our challenges are how to build up communication abilities. Language is one of the vital parts of communication. Some aspects of culture are visible, but there are invisible portions which we should also learn. Knowledge is much better than ignorance. Careful behavior utilizing knowledge together with appropriate language skills is a powerful skill to wield.

Even if we can speak fluently, it does not mean that we can convey our intentions properly and adequately to the other party. Accuracy is more important than fluency. Perception may be different from intention. Behavior can influence our perception which leads to a reaction from the other party. Perception is reality, but may not always be what the speaker really intended.

In a global business environment, many unexpected things come up. Sometimes our common sense instinct which may work in our home country may not work in a different culture. In such situations, we should be flexible to accept the differences, define the common objectives, and deal with them to find a suitable solution. English is a powerful tool, but it alone does not deliver the solution. English as a lingua franca becomes a powerful tool in business together with general knowledge, cultural awareness and respectful behavior.

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