

A Comparative Study of Japanese and Multinational Corporate Expatriate Training

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Abstract *Expatriate trainings in Japan demonstrate interesting differences between Japanese companies and multinational companies. In this paper, the influence of cultural values with a focus on individualism and collectivism is used to explain the causes underlying these differences. The following aspects of expatriate training are covered in this paper. 1) Attitudes of HR and participants toward intercultural training. 2) Individual vs. group programs. 3) Spouse included or not. 4) Youth programs offered. 5) Profile of typical participants. 6) Overall training program goals. 7) Participant goals and objectives for the training. 8) Pre-program assessment. 9) Pre-program contact with participants. 10) Program materials and delivery styles. 11) Participation styles of the participants during the training. 12) Post-program feedback and evaluation by participants. In order to design, market, and deliver corporate expatriate trainings in Japan, we need to understand and manage the individualism—collectivism value differences between Japanese companies and multinational companies.*

Key Words: corporate expatriate training, Japanese company, multinational company, individualism, collectivism

Interdisciplinary Fields: International Business, Intercultural Communication

1. Introduction

The authors have approximately ten years of corporate expatriate training experience as intercultural consultants (not in-house trainers) in over 50 companies across a wide variety of industries in Japan ranging from multinational companies to Japanese large corporations. Expatriate trainings in Japan demonstrate interesting differences between Japanese companies and multinational companies due to various aspects ranging from organizational structure to value differences. In this paper the influence of cultural values with a focus on individualism and collectivism is used to explain the causes underlying these differences.

The following aspects of expatriate training will be covered in this paper. 1) Attitudes of HR and participants toward intercultural training. 2)

Individual vs. group programs. 3) Spouse included or not. 4) Youth programs offered. 5) Profile of typical participants. 6) Overall training program goals. 7) Participant goals and objectives for the training. 8) Pre-program assessment. 9) Pre-program contact with participants. 10) Program materials and delivery styles. 11) Participation styles of the participants during the training. 12) Post-program feedback and evaluation by participants.

2. Intercultural Trainings in Japan

According to Araki (1998), intercultural training started in Japan around 1983. Araki worked as an intercultural trainer and consultant for a Japanese securities company which employed college graduates from the USA. She also notes that Japanese manufacturing companies also started to employ foreigners around the same time and IC trainings were offered for them. These trainings were aimed to help foreign employees to adjust to Japan and Japanese corporate culture.

Hayashi (1994) reports of a survey conducted in 1992 in conjunction with the Institute of International Business Communication in which large Japanese corporations were asked if they provide IC trainings for Japanese expatriates. Only 58 (41%) out of 141 companies answered positively. Sakai (2010) notes that in the past, the content of the IC trainings were mainly English language trainings. Sakai (2010) conducted questionnaire research with non-large (a term used by Sakai in his study) Japanese company expatriates, and found out that only 20% received IC training before leaving Japan. Sakai states that non-large company Human Resources section managers are usually not aware of nor acknowledge the expatriates' needs for IC training, in spite of the fact that the expatriates themselves expressed anxieties concerning their assignment abroad in the responses to the questionnaire. Some HR managers claimed that they only assigned people who have previously worked abroad for an overseas position. Sakai (2010) also interviewed IC trainers and consultants and found out that currently IC trainings for expatriates are offered by most large-size Japanese corporations, but that the programs are usually cut short (one to half a day) due to the economic recession.

The authors have worked for large Japanese corporations and multinationals in Japan for the past ten years and affirm the above findings, though we do not know the state of in-house training since we have been working as outside trainers and consultants.

3. Expatriate Trainings under Study

The expatriate trainings for the present study are trainings conducted for large Japanese corporations and multinationals. We have not conducted expatriate trainings for middle size or small size companies. Expatriate trainings conducted for auto industries, IT industries, airlines, securities, banking, and cosmetic industries are the subject of this study. Two-day programs are the standard plan. However due to cost, availability of the assignees, and other circumstances, the program may be cut to one day or half a day. The program content will be discussed in the section that follows.

4. Value Orientation: Collectivism — Individualism

Difference in value orientation has been a major topic in the field of Intercultural Communication in Japan and abroad. (Hofstede 1980, 1991, Triandis 1988, Matsumoto 2002, Yashiro et al 2009, Higuchi 2003)

Hofstede (1980, 1991) provided empirical evidence that cultures differed significantly on four dimensions: 1. individualism—collectivism, 2. high power distance—low power distance, 3. femininity—masculinity, 4. high uncertainty avoidance—low uncertainty avoidance. Among 50 countries plus 3 areas that he studied, Japan belonged to a collectivistic, high power distance, masculine, high uncertainty avoidance cultural group while the USA and UK belonged to an individualistic, low power distance, masculine, low uncertainty avoidance cultural group. Trompenaars (1993) also provided empirical evidence showing Japanese businesspeople to hold a communitarian orientation, which is his term for collectivism, more than US American and UK businesspeople.

Ting-Toomey (1999, p. 67) defines individualism as “the broad value tendencies of a culture in emphasizing the importance of individual identity over group identity, individual rights over group rights, and individual needs over group needs.” She describes collectivism as “emphasizing the importance of ‘we’ identity over ‘I’ identity, group rights over individual wants and desire. Collectivism promotes relational interdependence, in-group harmony, and in-group collaborative spirit.” She identifies China and Japan as belonging to the collectivistic value orientation cultures. Higuchi (1997) studied collectivism in Vietnam and Japan and found out that Japanese group loyalty is to the organizational affiliation more than family while Vietnamese were more committed to family than to organizations.

An interesting study to note is the empirical data presented by

Matsumoto (2002). His data showed that Japanese college students are more individualistic than US American students. The authors interpret this to mean that for the Japanese, college days are separated from business life in that a lot of freedom and self-centered behaviors are tolerated by the society during this period. However, once the young adults enter the business world, they are required to conform to the corporate culture and Japanese business customs.

5. Differences in Expat Trainings in Japanese Companies and Multinational Companies

1) Attitudes of HR and participants toward intercultural training

Most Japanese companies, HR departments, and training participants, regard expatriate trainings as a collective act. Therefore, all the assignees receive the same training regardless of their position and target countries of assignment. This reflects the companies' and employees' value on equality and fairness by providing a training program in which the content and quality is consistent for all employees. Individual needs depending on the target country and position are expected to be covered by the individual's efforts, like getting in touch with the *senpai* for information and advice.

On the other hand, the multinational companies in Japan value individualized training programs that are customized for the target host culture, specific position, nature of the job, previous intercultural experience, and personal and family situation. Therefore, training programs customized for individuals are seen as crucial for the success of the assignee and this attitude is shared by both HR and assignees.

2) Individual vs. group programs

Japanese companies provide group training. Individual trainings are extremely rare. In the group training, 20-40 assignees from affiliated companies come together to receive one to two days of training. The first day usually consists of crisis management and legal considerations on labor management and commercial trade. The second day typically focuses on cultural adaptation, intercultural communication styles and skills, and management styles and skills using lectures, role plays, case studies and intercultural simulations. The training is usually conducted pre-departure at company owned facilities.

Multinational companies typically offer individualized cultural training as part of the expatriate relocation package. Assignees can choose to have the training either pre-departure or post-arrival on the dates most convenient for their individual schedules. The program is intended for an indi-

vidual employee and immediate family members. The first day consists of setting objectives for the training, discussing professional and personal goals for the assignment, frameworks of intercultural communication, and an introduction to the host culture. The second day includes a discussion of management style differences, business protocol, a deeper look at host country values and behaviors, intercultural communication skills, and strategies for intercultural adaptation. Presenters are often invited to provide specialized knowledge in the areas of host country history and values, business practices, and daily life. The training is typically held at the company offices or the home of the participants.

3) Spouse included or not

Japanese companies rarely provide training for spouses. Most companies consider training the spouse a private matter. Typically Japanese wives are not included in corporate events so husbands and wives are not accustomed to or comfortable with joining their spouses to receive training. Japanese businesspeople are committed to the company more than to their family. The individual and family needs are subjugated to company needs.

Multinationals tend to emphasize support for the whole family, including the spouse, since the success of the international assignment is seen as being connected with the well being and adjustment of all family members. Spouses are expected to attend and both husband and wife are encouraged to learn about and support each other in their new roles and expected challenges on assignment.

In the case of Japanese working for multinational companies in Japan, the employees are often pleasantly surprised that before their international assignment begins, they are offered customized training that includes their spouse and often children as well if the family members will accompany them overseas. In our experience, these programs have been very well received with both husbands and wives mentioning the training will be valuable to their adjustment to life and work overseas.

4) Youth programs offered

Japanese companies do not offer youth programs as it is considered a family matter. In addition, Japanese assignees are very often not accompanied by their family while abroad. A semi government sponsored organization called Japan Overseas Educational Services provides elementary and junior high school students of expats public education textbooks and long distance guidance in studies on school subjects free of charge. However, there is no guidance on the target culture or intercultural adaptation.

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the children, since the success of the international assignment is seen as connected with the children's adjustment in the new environment. Youth programs are offered for children ages 6-12 and teen programs for ages 13 and up.

5) Profile of typical participants

The majority of Japanese assignees are management level, ranging from middle managers to general managers and CEOs. They are predominantly male. They will be promoted to two to three ranks higher than their position in the home organization. Most of the expats express a positive attitude towards their overseas assignment, yet most of them express anxiety for the new position and heavier responsibility.

The profile of multinational training participants is widely varied. Participants can include entry level employees up to senior level executives and CEOs. Various ages, backgrounds, and positions are represented as the companies see the value of intercultural training across all levels of the organization. There are both male and female employees going on international assignments. We have noticed an increase in the number of female executives as well as trailing spouses who are husbands. There are participants who are going on standard international assignments of 2-3 years as well as those going on short-term assignments of 6 months or less.

6) Overall training program goals

The goal of training in Japanese companies is to confirm the fact that the expats will be representing the company overseas and to inform the assignees of the organizational and management differences, business customs and practices, safety regulations, and crisis management as well as to understand how to overcome culture shock and communication difficulties and to be able to cope with ambiguity and stress to accomplish their assignment. Failure to accomplish the task will be a loss of face to the company and the individual. Participants are asked to write an action plan at the end of the training.

Training in multinational companies shares these goals, but also focuses on individualized objectives and self-awareness and growth.

Another important goal is to decrease the likelihood of a failed international assignment since each international assignment represents a significant financial investment on the part of the company. In contrast to the Japanese HR's reliance on *gaman* on the part of the employee and family members to complete a challenging overseas assignment, multinational companies' HR has the goal of limiting the risk of a failed international assignment as well as maximizing the effectiveness of the employee in their

assignment and their future value to the organization.

7) Participant goals and objectives for the training

Very often Japanese assignees want culture specific and role specific information that is not provided by a culture general program. They are eager to know the differences between the corporate culture of the headquarters and the local corporate culture in the destination country since they will often be promoted to a higher position on assignment. However, HR does not officially recognize it is their responsibility to provide individualized programs. Individuals are encouraged to access specific information to satisfy their individual needs on their own. Some companies provide a small budget for this purpose on the side.

In the multinational companies, participants request destination specific information customized for their role in the target culture as well as for their personal needs and interests. They are also concerned with how the assignment will affect their family and future career. They see success in the international assignment as part of their future career plan and personal development.

8) Pre-program assessment

In Japanese companies, HR is expected to have a general grasp of the assignee needs. Therefore, detailed needs assessment is not done. The focus is on the information, knowledge and skills that the company wants their assignees to have. It is a company directed assessment rather than an individual assessment of personal needs.

In multinationals, participants are asked to complete detailed questionnaires on their educational and career background, previous international experience, overall feeling about the assignment, specific role in the host country, work objectives, family situation, and personal needs and interests. They are asked to list their requests and priorities for specific topics to be covered in the training.

9) Pre-program contact with participants

In Japanese companies, usually trainers are not allowed pre-program contact, but HR approved pre-program questionnaires are allowed. HR is very cautious about disclosing employee information to people outside of the company. This reflects the companies' collectivistic attitude which separates insiders from outsiders.

In the multinational companies, pre-program contact by telephone is encouraged in order for the trainer to do more detailed needs assessment and customize the program contents. This also helps the trainer to invite

the most appropriate presenters to join the training program if this will be part of the program.

10) Program materials and delivery styles

In Japanese companies, hard copies of written text on globalization strategy, organizational policy and management differences, business customs and practices, safety regulations, and crisis management is provided by HR, and written text on intercultural adjustment, verbal and nonverbal styles, value differences, decision making, and conflict resolution styles are provided to HR and assignees by IC consultants. Delivery styles range from lectures with PowerPoint presentations, video or DVDs, worksheets followed by discussion, and role plays, case studies and simulations followed by debriefing. Day one consists mainly of lectures and Q&A sessions, while Day Two is more interactive with group work and simulations in which all the assignees actively do role-plays to become aware of cultural differences and learn new skills to cope effectively with differences.

In multinational company training programs, there are texts provided with content that includes both culture general and culture specific information. Delivery styles are highly interactive and participatory with discussion throughout the training. Delivery styles and content will take into consideration the background of the participant, their previous international experience, knowledge of the host country, and level of self-awareness. Training may also incorporate aspects of coaching where appropriate.

11) Participation styles of the participants during the training

Japanese participants are usually quite passive during the lecture, but surprisingly engaged during role plays and simulations. There are few questions during the large group lecture. Role plays and simulations are found to highly motivate participants and there is often in-depth small group discussions, reporting, and learning afterwards. There is effective collaborative learning taking place during the simulation and debriefing.

In the multinational training programs, participants actively engage in discussion throughout the training and they are expected to take responsibility for their own learning. The training is participant driven and there is active collaboration between trainer and participant.

12) Post-program feedback and evaluation by participants

In Japanese expatriate training, participants rate role plays and simulations very highly. The evaluation of the lecture part of the training is divided into those who gain a lot from it and those who feel most of the information is not relevant enough to their situation since it only covers culture gen-

eral information. For culture specific information, a book list is given to the assignees. However, the individual desires to receive a culture specific individualized program has not become a loud enough voice to be heard by HR, mainly because the assignees affirm the group IC training as the acceptable and effective form of training.

In multinational expatriate training programs, participants give the most positive feedback when they feel their individual background, needs, and interests are taken into account. They rate the program a success if they receive concrete information targeted for their specific role, situations they may encounter, and work objectives.

6. Conclusion

From the present study, we are reminded again how individualism and collectivism affect corporate expatriate training in Japanese companies and multinational companies in Japan. Thus, in order to design, market, and deliver corporate expatriate training in Japan, we need to take into consideration the above differences.

We can also consider that there are both positives and negatives to both styles of training. In the case of expatriate training in Japanese companies, the strength is the collaborative learning environment and the ability on the part of the participants to share experiences, knowledge, hopes, and anxieties. These trainings may benefit from some time spent on specific target culture information to support the effectiveness of international assignees. In the case of multinational companies, the strength is the customized nature of the training program and the support offered for all family members who will accompany the employee overseas. These trainings may benefit from having group follow-up sessions that would bring together expats to share their experiences in the host culture and take advantage of a collaborative learning environment.

This study is limited in the following areas. First, the trainings under the study are limited to trainings experienced by the two authors who worked as outside trainers. Second, there is no information about in-house expatriate trainings. Therefore, in the future study, more data from more trainers and consultants should be collected and analyzed both qualitatively and quantitatively. Thirdly, we need to compare the trainings from other cultural values presented by Hofstede, Trompenaars, and Ting-Toomey as well. Furthermore, the subject of pre-departure expatriate training should be analyzed from a corporate structural as well as management strategy perspective.

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