



BLCCJ

BELGIAN-LUXEMBOURG
CHAMBER OF COMMERCE IN JAPAN

Business and cultural habits in Japan

Chamber of Luxembourg, 21st of September, 2017
Country Seminar: Japan

Michaël VAN DORPE





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 - Japan group identity
 - Japanese “Gambaru” spirit.
 - Difference of perception (personal anecdote)
 - Working hard toward perfection (personal anecdote)
 - Everything is long term
 - Feeling of control
 - Japanese way to tackle issues
 - Characteristics you must understand for your success in Japan

Some personal introduction



- Electronic Engineer (Civil Engineer) from UCL, Louvain-la-Neuve, graduated in 1998
- Vulcanus Internship student, @1998. (Eu Japan Center)



- Founder and President of Village Island Co., Ltd, since 2005, for the Broadcast market and mainly in Japan:
 - Distribution of Broadcast technologies
 - Product development
 - System Integration
 - Seminars and course



- Belgian Luxembourg Chamber of Commerce in Japan, Director



Some personal introduction



Japanese first experience: Vulcanus in Japan (EU JAPAN CENTER)

1st working experience: BARCO Japan Co Ltd

Working as a sales engineer and product manager in the Japanese broadcast market.
Handling business in a Japanese working environment for Japanese industry.

What did I experienced?

- respect of hierarchy and seniority
- Japanese expectations in customer/supplier relation
- relation handling and business meeting
- 0-defect expectation and Japanese-way of troubleshooting

2nd working experience: Matsushita Techno Trading Co Ltd (nowadays: **Panasonic Techno Trading**)

Act as a mediator for large system integration project between Japanese company and European/Asian companies

What did I learned?

- Japanese pragmatism
- hardworking
- hard negotiations
- continuous need to adapt myself.

Village Island Co., Ltd.



3rd working experience: from 2005 until today, founder and owner of Village Island Co Ltd:

Company activities are:

- Import & trading of electronic equipments,
- software development,
- system integration

First, a growth phase mainly due to a main activity focused on global trend; in our case: the Japanese Broadcast transition from Analog to Digital.

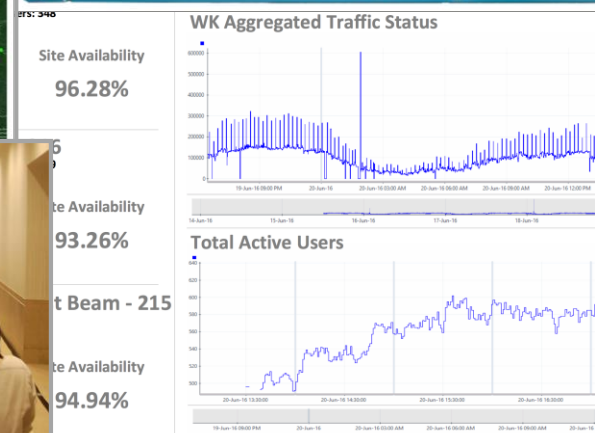
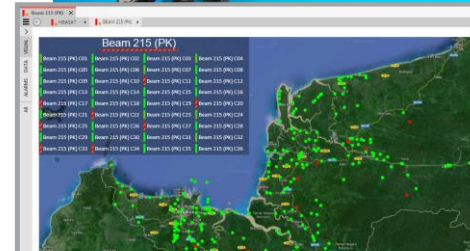
→ Now your market trends

A good reason of our success was a combination of western staffs with Japanese staffs.

→ Use multi-cultural resources

Diversity of products and offers have enabled us various source of profit year by year. Going along with our customer on the long term has been a continuous source of business for us.

→ Stick with your customers





Established in 1978 (40 years in 2018)

Run by a Board of 12 directors, 8 advisors and 2 fulltime staff

In 2017 a total of 135 members: 1/3 corporate, 1/3 SME, 1/3 individual – 16 members related to Luxembourg.

Mission: 3 main objectives:

1. Promotion of commercial activities between Belux and Japan
2. Create and facilitate awareness about BeLux
3. Provide a business network for our members in Japan

website: blccj.or.jp



- Access to seminars, business meetings and events
- Promotion of BLCCJ members' business activities
- Support to business (wo)men visiting Japan
- Assistance for Japanese nationals regarding pension/social security agreement Belgium-Japan
- Connections to lobbying networks such as EBC (European Business Council)
- Networking with other European Chambers of Commerce

Activities in 2017 (3/3)



- Nippon Export Award 2017-2018
- Delighting Customers in Japan XVI
- High-profile Meetings – Missions
(Lux. Mission in November, economist Bruno Colmant etc)
- Belux Trade Fairs *(BBW Yokohama & Kanazawa)*
- Belgian Beer & Food Academy *(Tokyo & Osaka)*
- Belux Business Talks *(Inheritance taxes, HR, bitcoin etc)*
 - Website, facebook, member directory
 - King's Day advertisement
 - BLCCJ member services & pension services
- New Year Party
- Golf Tournament
- Summer Party
- Gala Ball
- Joint Networking Events
- Monthly beer gatherings



- Japan group identity
- Japanese “Gambaru” spirit.
- Difference of perception (personal anecdote)
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- Feeling of control
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- It has been part of the culture and tradition for ever
- is encouraged through all ages:
 - Kids clean their own class after school since they are in kinder garden
 - Yearly gathering for any type of group: school, sport/hobby club, company, for past and current group.
- How to use this beneficially?
 - Define common circle, common ground with your partner to build this group feeling
 - Spend time with your customer/partner, or have a trusted person doing so
 - Have dinner time with your customer (and ideally regularly)

Japanese “Gambaru” spirit



“Gambaru” means to have the spirit of courage and perseverance

Japanese salaryman resistance against stress and spirit of sacrifice (how come?)

This implies abnegation when facing work, company pressure, or group pressure

This is very well socially accepted to make sacrifice and ignore personal interests.

Often the group will recognize the sacrifice and appraise it.

In business this is illustrated by high availability for customer, or by addressing issues that are concerns to the customer, but not to you.

The “Gambaru” spirit will be rewarded by:

- having the customer confident into the supplier despite the distance
- customer long term relation, and so long term business
- higher appreciation for the product or service



- Be cautious that the way to look, feel, ear at things are different.
- A personal experience
 - Music channel satellite broadcast



- Japanese products may be more expensive but are appreciated as more perfect. Ex: Japanese cars, electronic devices, etc..
- With the spirit of “Gambaru”, manufactures are not afraid to spend time and resource on re-iterating processes until a near-to-perfect result can be achieved.
- A personal experience
 - Toshiba TV commercial insertion system



- What Japanese companies look for is long term stability of business, in harmony with their customers, their suppliers, the employees, their partners.
- “Cathedrals” of business can be built over such long term stability. Take advantage of it.
- That means that short term loss are commonly accepted into building long term business relations.



- The Japanese partner may show pushy behavior, and try to control or monitor internally your processes.
- This may be due to several reasons:
 - He has the feeling of not knowing, not understanding, not seeing through your company. He's challenging you to see how far you can go with him.
 - His Japanese end-user expect him to offer a same transparency and level of control on foreign products than on Japanese local products
 - He's really in trouble with his customer, and needs to address the issue deeply



When encountering a problem, the following actions are expected:

- Implementing a workaround => decrease the impact to customer/market
- reproducing the problem => isolating and understanding better the problem
- understanding the root cause(s) of the problem => deep investigation
- confirming the resolution of the problem by testing thoroughly the reproduction patterns and their variations.

This way to do may look overwhelming or a loss of energy for some people, but I would invite participant to judge the quality of the result.

This illustrates well the **Pragmatism** in Japanese culture

Characteristics you must be mindful to succeed in Japan



1. Adaptability

Being responsive to change; flexible.

2. Sensitivity

Perceiving the mind, attitude, or situation of your counterparty

3. Hardworking

Hard work, and perseverance

4. Patience

Stay calm and in control and tolerate delays.

5. Pragmatism

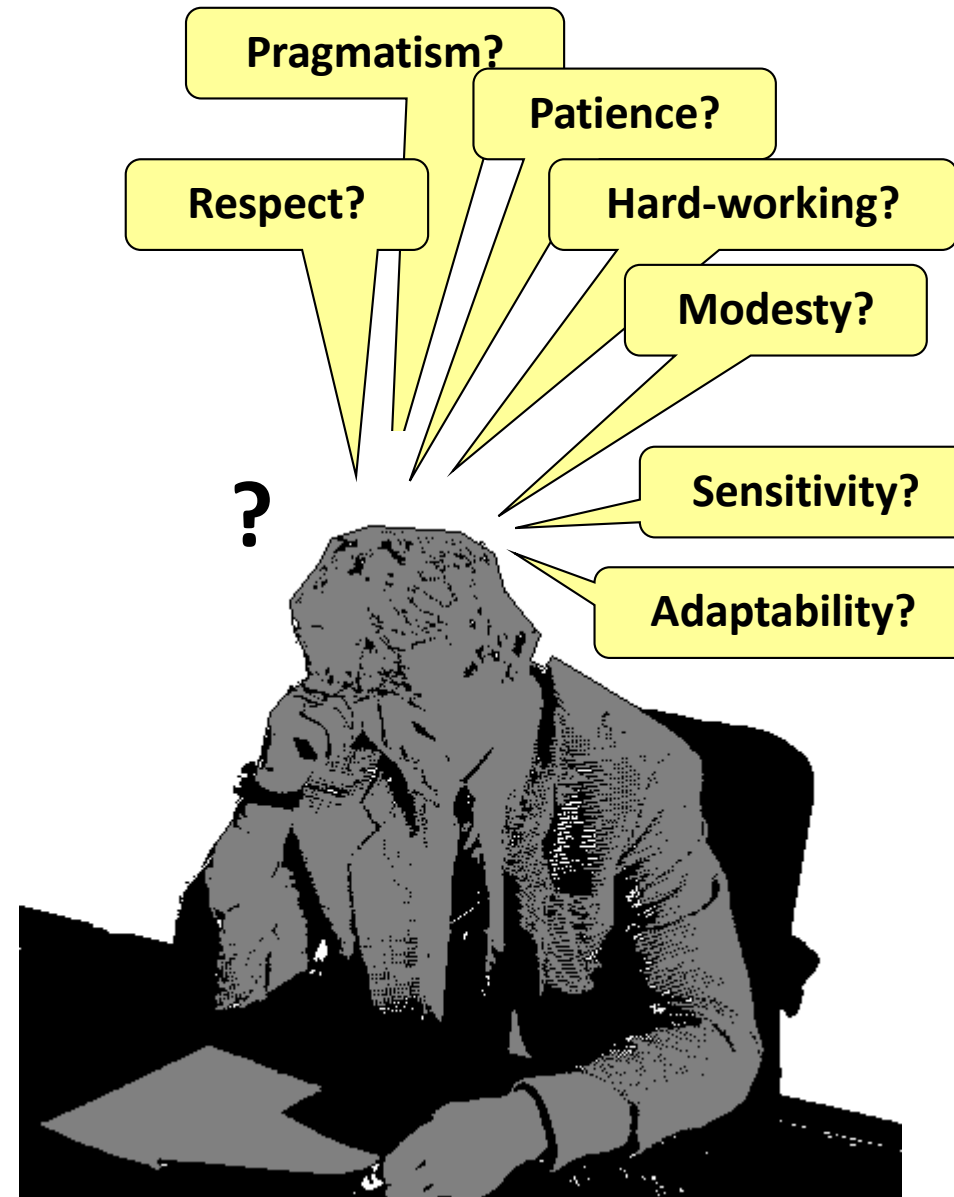
Oriented to what is proven to have worked.

6. Respect

For customers, for elders, for hierarchy person

7. Modesty

Low profile. Refrain from displaying your talents and values unnecessarily; to call attention to yourself.

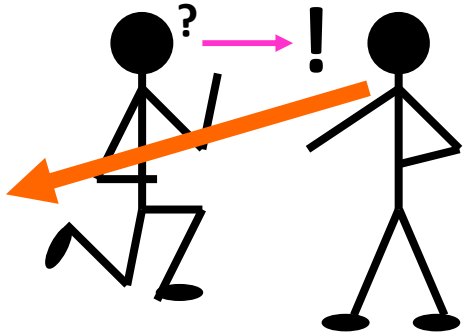


Characteristics you must understand for your success in Japan



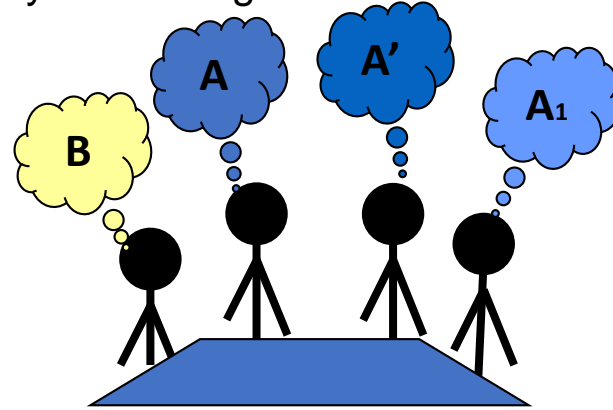
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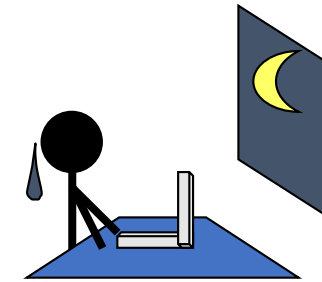
2. Sensitivity

Perceiving the mind, attitude, or situation of your colleagues/boss.



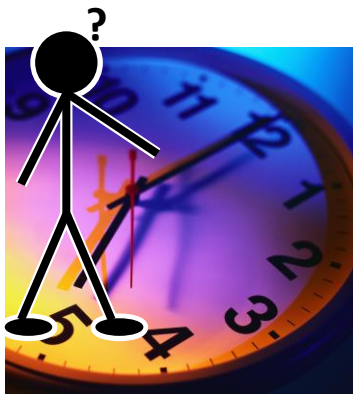
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Hard work and perseverance



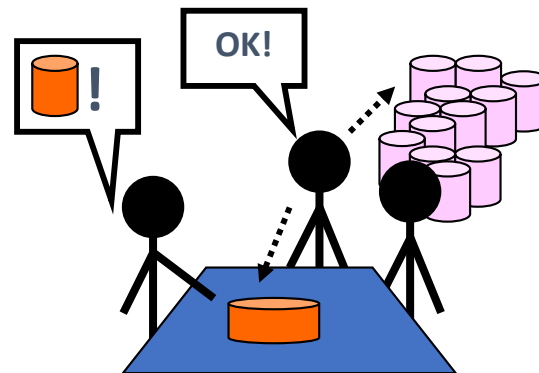
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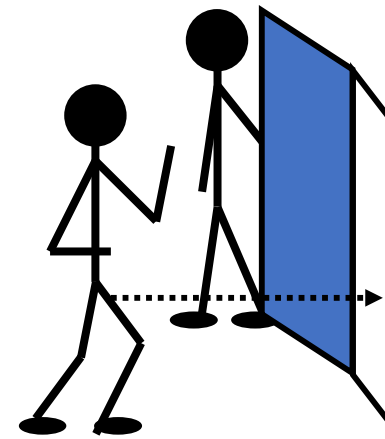
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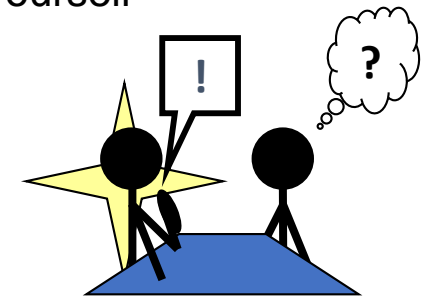
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For superiors, for customers.



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1. Adaptability – The skill to adapt oneself, to flexibly respond to the environment.

Japanese companies (and people) have different priorities in their relations at work compared with foreign ones. A different culture means a different system of values. This implies your need to adapt to have constructive communication.

The corporate culture is different. Your Japanese customer doesn't think like you. The decision process is different. Keep in mind there are several way to reach an objective.

2. Sensitivity - Perceiving and understanding the attitudes, feelings, or circumstances of your colleagues.

Japanese verbal communications are much more indirect than western ones.

It helps if you're observant, perceptive and learn to *read between the lines* and understand the "sub-titles" in a conversation, or understand the underlying motivation of your counter-party.

Be group-minded, don't think for yourself only but think about what is good for the other.



3. Hardworking - Characterized by hard work and perseverance

Completing assignments on time and producing high-quality work is the standard expectation, nothing less.

Strong personal and corporate investment may be required but at the end recognition comes as a reward

Caution: the target results is as defined by the customer, not only by your individual perception

4. Patience – Be calm, controlled, able to tolerate delays.

The decision-making process in Japanese companies may be slow.

Taking time to “learn the system” will put you at ease with what to expect and help plan your efforts.

Many projects can be handled on very long terms. In my business it is common to send quotation a year or more before the delivery, and to support customer a year or more after delivery.

Japanese large companies often plan their strategies on several years instead of the next six months (by opposition to US companies). So, if you can focus on the long-term goal jointly, instead of short-term gain, you may succeed.



5. Pragmatism - Preferring the proven practical over the theoretical

A decision/attitude is validated because it is proven to have worked previously.

A theoretical rule will have no use without concrete reference on a concretely matching case.

Be ready to give reference when defending your opinion.

The pragmatism offers the advantage that it is universally recognized as based on validated facts.

6. Respect - Understanding to the hierarchy and system of values

Respect for the senior, boss, customer.

Even if conviction are opposed, a mutual understanding is also a mark of respect

7. Modesty - The ability to display a moderate appreciation of your talents and skills.

Teamwork and group are crucial concepts in Japanese companies.

You'll need to be comfortable in sharing recognition and awards with your team and acknowledging the contributions of others. Inversely, avoid to call only (or too easily) attention to yourself.



For the Japanese **pragmatism**, the objective is to reach a perfect, 100% validated and measured conclusion/target.

If defects are encountered, this invalidate the complete efforts.

Unfortunate effects are:

- Negation of priorities. A 0-Defect objectives implies that resolving *small default* is put at same level as *major defects*.
- *The effort involved to fix small issues may be impressively high*
- *probabilistic approach is not valued much. (personal experience of one customer requesting that a problem is to be fixed even if the chance that this problem happen is less than one in a million)*

Example with software programming: “There are millions of line of codes in our software, so problem can happen”. **(Hard working)**

Be ready for question like “How can you prove me that you are not wrong?”. This actually inquire for practical examples to defend your opinion **(Pragmatism)**



- Respect is commonly demonstrated toward hierarchical superiors or customer in Japan. This goes from holding the elevator's door, to facilitating the counter-party environment in various ways, or to demonstrate your listening attention when receiving oral communication (like making sure not to miss the point). **(Respect)**
- BUT, when you do not understand the point, clearly indicate it, rather than acknowledging in order to show respect. Getting the job done is at the end the most important. **(Sensitivity & Hardworking > Respect)**
- (for Business or Negotiation)
Meeting with Japanese people may be long and exhausting. Culturally, there is nothing bad into spending lot of time reviewing again and again all details, and; Until everything is discussed and cleared, nothing is concluded. (This is deeply related to negotiation spirit: Unless everything is agreed, nothing is agreed).
When negotiating, be ready for long discussions, so this can be physical !
And don't complain about long meetings. **(Patience)**



- (during international meetings)

Sometimes the point of discussion maybe lost or even divided into Japanese speaking people, and English (or other) speaking people. It is sometimes necessary that such situation occurs to permit the debate to progress, or to confirm information. But the attentive person should always try to re-focus rapidly discussions to the point. **(Sensitivity)**

- Factors influencing the Japanese decision making: Find an consensus and agreement from all parts giving priority to customer requirements **(Sensitivity)**

- Japanese people are comfortable with silence and even use it for personal interactions. Even when not announced, the silence period does permit everybody to reanalyze his complete understanding or perception of the situation. So, when a silence is happening, you can let the situation as it is without needing to break the silence. Also, you shouldn't conclude too fast that the meeting is over. Just give sometime for everybody to gather all their thoughts. **(Patience)**

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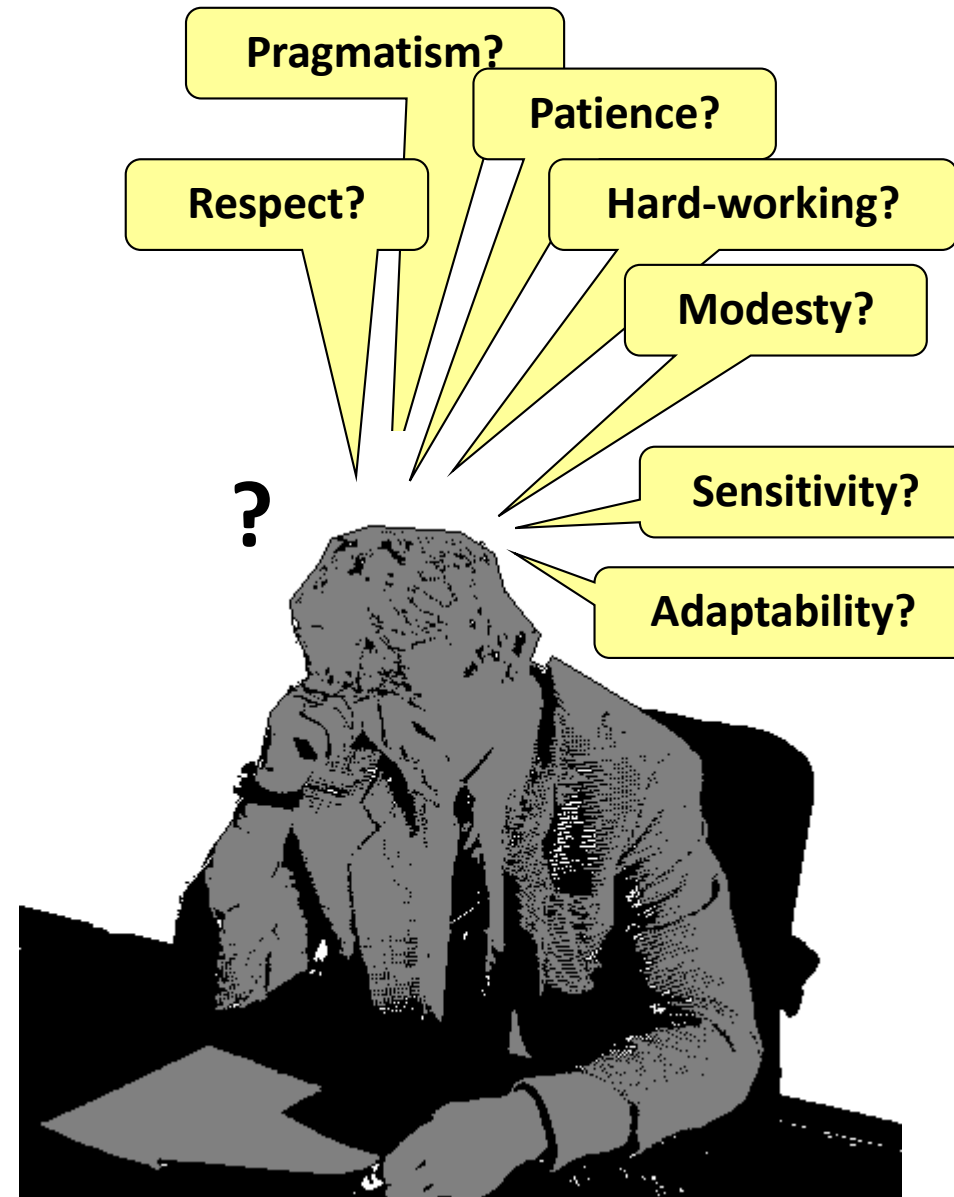
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To Be, or not to Be a Gaijin

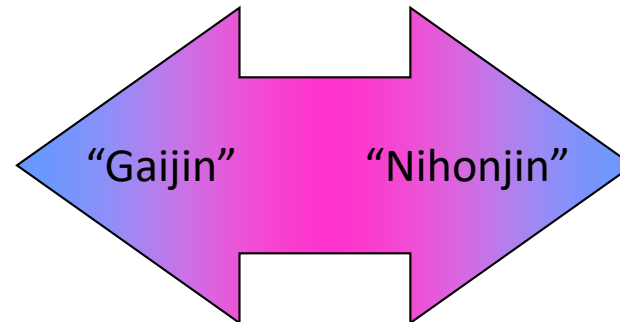


“Gaijin” will be part of your identity while you are in Japan. This will bring you advantages and disadvantages. Learn each of them, and understand **when to be a gaijin** and **when you should behave like a Japanese**.

It is not expected that you become Japanese, but understanding Japanese manners and both perspectives will help.

When visiting or dealing with Japan organization, you may find people who are looking for the gaijin in you and want to practice English or just get to know more foreigners. In the opposite, you may also find other people that just expect you to behave like a Japanese and who are ready to teach you about their way.

- When bringing your competences in.
As a skilled staff, you shouldn't compromise on what you could bring to the situation and or personal added value.
- Don't hesitate to bring new ideas on the table specially when your Japanese counter-part seems stuck with a situation.
- When negotiating (you can justify your opinion from your gaijin point of view)
- When partying or enjoying time with your Japanese counter-parts



- When holding meeting or when communicating with a majority of Japanese people.
- In respect to the administration or the company
- When negotiating (some time it is necessary to use the same logic as your counter-part and to adopt same system of values for better persuasion or communication)
- When answering the phone, or meeting for the first time
- For “settai”. Bringing a customer, or special guest to dinner, reception.
- When you feel it is time to do so...

Attention: If if you do mistake (ex: at work), don't bring the gaijin as an excuse!



- Give a good priority to learn or get used to Japanese language **(Sensitivity)** :
 - Language is the reflection of Culture, and therefore its system of values. Through the language you get closer to your Japanese counterpart.
 - This may help to understand what the Japanese boss is ... trying to say when talking English with his Japanese grammar 😊, and would definitely be appreciated by the Japanese boss.

Learning to use 'international English'. (No need to impress your Japanese counterpart with your *Oxfordian* English) **(Sensitivity, Modesty)**

Finally, in contradiction with all points mentioned in this presentation, never believe that same rules can apply to all Japanese individuals. Each person is different and can not be stamped as a "Japanese person". As you wouldn't like to be stereotyped yourself. **(Sensitivity)**