

## Cultural differences between Japan & New Zealand: Implications for Business

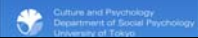
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## Misunderstood Asians

- Human neonates can absorb breast milk in any culture
  - They produce an enzyme lactase, which breaks down lactose in milk into easily absorbable glucose and galactose.
- If a neonate cannot produce lactase, it causes a serious problem --- hypolactasia
- After 2-5 years, most Asian infants stop producing lactase, because they did not need it any longer after weaning (in their evolution history).



## Adults' lack of Lactase is "Pathological"!

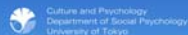
### Adult Hypolactasia

Deficiency in lactase among adults.

Among most Asians, almost 90% of children stop producing lactase by the time when they are 3-5 years old, whereas it is only about 10% in the West. 70% of people on the earth are lactose intolerant.

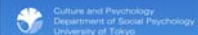
- What is illness varies with culture (evolution history)
- Implications for NZ

NZ needs to export lactase pills along with milk products!



## Saying in Japan

- Commonsense in Japan is Nonsense on Earth
- Commonsense in the West may not applicable to Asian cultures.



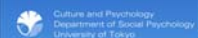
## Outline

- Cultural Differences in Control Orientation
- Extended Framework
- Empirical Evidence
- Implications for Business
- Conclusion



## Collaborators

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## How do we need to understand cultural similarities and differences?

### Commonality

Human beings in any culture face “adaptive problems” (Todd & Gigerenzer, 2012). As long as the problems are similar, our social behavior will be similar across cultures.

(e.g.) People are motivated to make/save money for their survival in any culture. This is why international trades can take place.

### Uniqueness

In some cultures, people face different “adaptive problems.”

(e.g.) people can sue a perpetrator in a car accident in the US (as well as Japan), whereas it is not possible in NZ (where ACC takes care of it).

We are socialized before we obtain power to change our society. Thus, it is likely that social system is maintained over generations.

## Control Orientations across Cultures

- Individuals in any culture need to control their environment at least to some extent. People have developed strategies to influence their physical/social environment. (commonality)
- However, depending on reward/punishment structure and prevalent values in culture, people choose a different strategy to change realities to their liking. (uniqueness)  
(e.g., sue a perpetrator or let ACC take care)

## Control Orientations and Cultural Values

### Control Orientation

Targets of Control (Environment vs. Oneself)

### Cultural Values

Autonomy in Individualist Cultures

Interpersonal Harmony in Collectivist Cultures

(Survival value of interpersonal harmony)

## Target of Control

### Environment (Primary Control)

Individuals “enhance their rewards by influencing existing realities (e.g., other people, circumstances, symptoms, or behavior problems)” by means of “personal agency, dominance, or even aggression” (Weisz et al., 1984)  
e.g., try to win a rugby game

### Self (Secondary Control)

Individuals attempt to “enhance their rewards by accommodating to existing realities and maximizing satisfaction or goodness of fit with things as they are” without changing the existing realities (Weisz et al., 1984).  
e.g., Windy weather in Wellington

## Agent of Control in Primary Control

### Self ---Personal control

- direct The self acts as an agent explicitly.  
(e.g., hard-sell strategy)

- indirect The self’s agency is hidden.  
(e.g., soft-sell strategy; invite potential customer to a home party)

### Collective ---Collective control

- A collective acts as an agent (directly/ indirectly).  
(e.g., collective negotiation with counterpart)

### Agent of Control in Primary Control (continued)

**Others** ---Proxy control

- Someone else acts as an agent.  
(e.g., use an agent for headhunting)

### Asian's Reluctance to Exert Direct Control (1)

Suppose a Chinese man lent his money to his friend, who wanted to buy a new pair of shoes that he liked very much. After some days, the Chinese man wanted his money back but his friend apparently had forgotten it. In such a situation, according to a Chinese scholar, Chinese don't demand his friend to return the money explicitly.

### Asian's Reluctance to Exert Direct Control (2)

Suppose that a rakugo (comic story) master is annoyed by his disciple, who is singing a song too loudly. Instead of issuing a direct reprimand to stop it, he says, How well you sing a song! For a moment, the disciple is proud, taking his master's statement at its face value, but soon he becomes aware of the true meaning of the message. (Kojima, 1984, p.972).

### Examples of Proxy Control

- Essential for survival of those who are in a weaker position and thus unable to change their environment to their liking.
- Third Party Interventions  
Intermediaries play an important role when a worker changes his/her job among Chinese and Singaporeans (Bian & Ang, 1997).
- In New Zealand, ACC (accident compensation corporation) pays for medical care. The victim cannot sue the perpetrator.

### Targets and Agents in Control



### Example of Scenario

You work in a group at your company. You are with S-san in your group. S-san is recently reluctant to participate in the joint work for some reason. So, you are in much trouble because the work is not smooth, causing you a great deal of burden.

## Autonomy vs. Harmony

- When interpersonal relationship is involved, Asians would be afraid of disrupting interpersonal harmony.
- Autonomy is important especially in the West.
- What would be your choice?

## Previous Research Findings

- Schwartz's Value Study
  - Harmony is valued more in East Asia
- Studies on Conflict Resolution
  - intermediaries
  - avoidance of direct confrontation

## Measurement of Control Intention among Japanese Students

- Study 1  
analyzed open-ended answer to the question: How would you cope with the situation?
- Study 2  
subjects were asked on a five-point Likert scale, how much they would like to adopt each control strategy

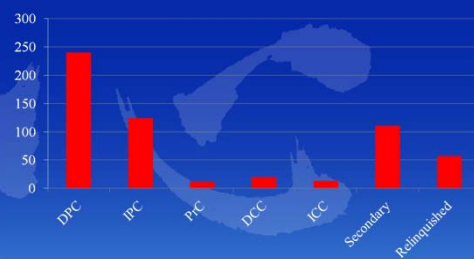
## Description of Control Strategies (Study 2)

- Direct personal control*  
You clearly tell S-san that you want S-san to do the joint work more.
- Indirect personal control*  
You hide your intention, implicitly showing S-san that you want S-san to do the joint work more.
- Proxy control*  
You ask someone to get S-san to do the joint work more.

(Continued)

- Direct collective control*  
Together with other people, you ask S-san to do the joint work more.
- Indirect collective control*  
Together with other people implicitly show S-san that you want S-san to do the joint work more, such as discussing work-related topics.
- Secondary control*  
You try to change your thought and behavior rather than work on S-san.

## Frequency of Preferred Type of Control (Study 1)



### Preference of Control Strategy on a Five-Point Scale (Study 2)



### Is that their real choice?

- What is Japanese ideal choice?
- Japanese undergraduate students were asked about their ideal choice as well as actual choice in six fictitious situations.

(e.g.) Your presentation at a job interview was a failure.

### Example of control strategies

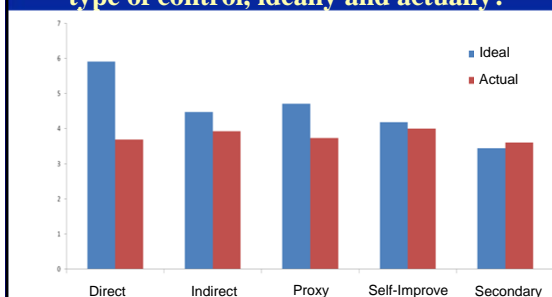
- Direct Personal Control: To ask the examiner to let me make a presentation once more
- Indirect Personal Control: To hint that I am not satisfied with the quality of presentation without saying it directly to the examiner
- Proxy Control: To find someone in this company who would help me
- Control via self-improvement: To improve my presentation in preparation for an interview at another company
- Secondary control: To try to believe that "it was a good experience" or "I've learned a good lesson about life"

27

### Control via Self-Improvement

- Kurman, Hui, and Dan (2012) demonstrated that people at least sometimes exert secondary control to improve their ability to exert primary control.
- They showed that, with an open-ended questionnaire, Hong Kong participants were more oriented towards this strategy than Israeli counterparts.

### How much likely would you exert each type of control, ideally and actually?



29

### Implication

- In interpersonal relationships, Japanese are very careful. They attempt to indirectly control the situation, which is often difficult to be understood by foreigners.
- A key to better understandings: Japanese attempt to maximize their cost-benefit ratio.
  - With smaller cost, Japanese would exert direct personal control over the environment.
  - With larger anticipated cost, Japanese would attempt to control the situation indirectly, collectively, or using proxy.

### Example: How to Impress Others Favorably

- Self-Promotion vs. Modesty
  - Cost of Self-Promotion (boasting)
  - Unrestrained self-promotion
  - Calculated modesty
- People are motivated to gain favorable impression from others in any culture

### What else determines one's choice of control strategy?

- Risk perception
    - More people --- Safer
- Japanese saying**  
It is not scary to cross against the red light, as long as you are with many companions.

### Illusions of personal versus collective control in the United States and Japan

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Journal of Cross-Cultural Psychology (2005)

### Risk and Number of Companions

- Situation A: You alone are exposed to intense ultra violet.
- Situation B: All of us are exposed to intense ultra violet.

**Japanese feel safer in Situation B!**

- Individualist cultures
  - individual is the unit of activities
  - incentives
  - one would develop a strong sense of personal control if one is expected or even forced to be independent and autonomous.
  - unrealistic belief in the efficacy of explicit personal control

- Collectivist cultures
  - Group is the unit of activities
  - incentives
  - one would develop a strong sense of collective-control
  - unrealistic belief in the efficacy of collective control



## Method

- Undergraduate students in Japan and U.S. were told:
  - The experiment is concerned with “the effect of unpleasant experience upon subsequent performance level.”
  - They would be assigned to the unpleasant experience group, in which they are asked to take a bitter drink, depending on the result of a lottery.

## Individual Condition:

- Each participant was told to draw four lottery tickets, on each of which a number was given.

## Group Condition:

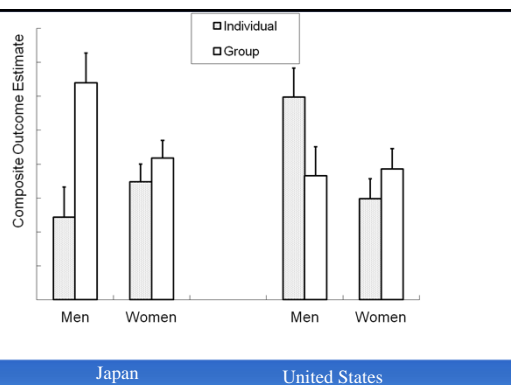
- The participant was told that he/she was a member of a four-person group.
- Each of the four ingroup members was to draw a lottery ticket.

- Depending on the sum of the numbers they drew, they were assigned to the unpleasant experience group.
- In both the Individual and Group conditions, the assignment to the unpleasant condition was determined by chance alone.
- There is no normative ground for a different probability estimate between the two conditions regarding one's chance of being assigned to the unpleasant condition.

## Measured Risk Estimate

### Risk Estimate

- perceived probability that they were assigned to the unpleasant condition (%)
- confidence in NOT being assigned to the unpleasant condition (7-point scale)



## Implications for Business

- In Japanese market, you'd better sell something with lower risk (at least superficially), emphasizing its popularity rather than commonality.
- Japanese have been reluctant to change Japanese yen to foreign currency, because it is risky(!)
- Many Japanese security firms show the name of best-selling mutual fund on their website (rather than best performance funds)

### How to Understand Japanese “Irrationality”

- At least some Japanese “heuristics” (i.e., strategies for solving a problem) have lost its adaptive value in the era of globalization when individualistic system is implemented.
- However, those heuristics still work well in everyday interactions among people.

### Japanese heuristics in extra safe egalitarian society

- Don't disrupt interpersonal harmony
- Don't hold your own opinion --- look around and follow other people  
“Don't be late for the bus”

### Conclusion

- People face very similar “adaptive problems” in any culture.
- Structure of their social environment is different across cultures. It causes differences in social behaviors (i.e., solutions) across cultures.
- You need to understand why certain behavior is adaptive in that situation.

### Thank You Very Much

Please address comments and suggestions to:  
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