



**SELINUS UNIVERSITY**  
BUSINESS SCHOOL

**REDESIGNING LEADERSHIP IN CHINA: A PRACTICAL GUIDE FOR  
JAPANESE EXECUTIVES LEADING CHINESE SALES TEAMS**

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## INTRODUCTION

In the last two decades a great number of Japanese companies have been successfully outsourcing their production and supply chains in China. The Chinese employee management and leadership processes, however, has uncovered some difficulties for Japanese managers due to differences in organizational culture and attitudes to work. In general, Chinese and Japanese culture possess a number of similarities, but the business cultures and ways of doing things at work are fairly different. Therefore, the relevance of this research lies in the fact that the problems between Japanese managers and Chinese employees have been causing distress and misunderstanding and therefore need to be professionally assessed, thoroughly studied with the help of relevant scientific literature on leadership, and solved in order to improve business practices and the general understanding between the two nations.

The main problem of the research is that most scientific literature on leadership has been written and published in Europe or North America, in the countries with individualistic business cultures, which are very different from the collectivist cultures in Asian countries. Consequently, the aim of this research is to resolve the contradictions between the necessity of doing business between Japanese and Chinese companies and the differences in business culture, as well as adapting the Western ways of doing business to Asian working environments. In other words, it is discovering what does not work when doing business in China, and replacing it with what does.

The object of the research is redesigning leadership in Japanese companies in China. The subject of the research is the creation of a synergy between the Western, Japanese and Chinese leadership styles with the aim of improving business processes.

The research hypothesis is that the leadership process in Japanese companies will be more effective and result in higher productivity and employee motivation on condition that a synergy between the European, North American, Japanese and Chinese leadership styles is created.

The objectives of the research include studying the theory and practice of leadership in the West, comparing it to the ways of doing business in Japan and China, finding out and describing the problems that arise in the processes of leadership and management of Japanese companies in China and creating a list of practical suggestions for Japanese executives on improving business practices in China.

The research methodology involves archival study, experiment, testing, interview, process analysis and observation.

The experimental base for the research is a Chinese branch of the Japanese company selling automotive parts called Tsuchiya Ltd. in Tianjin city, where the researcher is currently employed as a general sales manager.

The literature used in the first (theoretical) part of the research includes works on leadership by J. Maeda, E. H. and P. A. Schein, J. Maxwell and D.K.

Goodwyn. As building relationships in a multi-cultural environment is a vital part of being a leader, the researcher has relied upon the ideas of T. Erikson on communicating with people with different personalities. E. Meyer's work "The Culture Map" on different aspects of leadership and management around the world, such as giving feedback, communicating, persuading, leading, building trust, decision-making, scheduling, disagreeing and negotiation has aided the researcher in writing the second part of the research in which those processes are compared in Japan and China. Apart from the Western viewpoints on business culture covered by E. Meyer, the researcher has considered the Asian ones, described in the works "The Japanese Mind" by R. Davies and O. Ikeno., and the one by P. Midler on the Chinese mind, called "Poorly Made in China". In the third part of the research, suggestions on improvements in leadership process are given. The researcher has used M. Imai's ideas given in his work "Gemba Kaizen", D. K. Goodwyn's ("Leadership in Turbulent Times"), T. Ericson's ("Surrounded by Idiots"), D.A. Olson's ("Success. The Psychology of Achievement"), as well as the researcher's own suggestions based on his own experience and expertise.

On the subject of the theoretical importance of the research, its findings contribute to the research on leadership and management in China.

As far as the practical importance of the research is concerned, the comparison between the Japanese and Chinese business practices described in the second part will give the Japanese executives-to-be valuable insights

into leading Chinese employees. The practical suggestions provided in the third part will aid the Japanese executive in managing business processes and becoming a leader that the employees will follow.

The reliability and validity of the research lies in the choice of the secondary research material and in the appropriate choice of research methodology.

Throughout the dissertation, information sources are cited parenthetically. The complete source citations are provided in the Bibliography section at the end of the dissertation.

## CHAPTER 1: THE THEORY AND PRINCIPLES OF LEADERSHIP

Being in power is like being a lady.

If you have to tell people you are, you are not.

Margaret Thatcher

### 1.1 Leadership definition and leader's roles

There are various ways to define leadership. According to E.H. Schein and P.A. Schein, it is "wanting to do something new and better" (21, p. 2). A good leader strives to improve tasks and processes, and whether they succeed or not depends on the values of the group, the context and the organizational culture (21).

As for G. Yukl, leadership includes processes in which people are influenced in order to guide them, as well as structure and facilitate activities and relationships within a certain group of people or a company (28, p. 2). The author describes two ways of looking at leadership: the first one as specialized leadership process, in which there is a designated leader and some followers, and the second one called shared influence process, which is characterized by power diffused among all the members of a certain group. The author also distinguishes between direct (face-to-face communication, written communication) and indirect (by example, through the management system) leadership (28, p. 3).



The leader's influence has several aspects such as the choice of objectives, employee motivation and trust, resource allocation, skills and competences development, organization structure design, shared beliefs and values (28, p. 8).

J.C. Maxwell defines leadership as influence and as a combination of several factors, such as character (who they are), relationships (who they know), knowledge (what they know), intuition (what they feel), experience (where they have been), past successes (what they have done) and ability (what they can do) (14). He claims that people "should sense the depth of a leader's character", aim for deeper relationships with employees, need to know the situation, have the right timing and the vision of the future (14, pp. 17-18). He also believes that good leaders should be able to "influence morale, timing and momentum", should have past challenges and make people believe in them and follow them (14, pp. 17-18).

Whether a leader is effective or not depends on whether employee performance facilitates the achievement of goals set, on follower attitudes, their self-confidence, trust and respect, presence or absence of complaints, conflicts and deliberate sabotage of work (28, p. 9).

For better understanding of leadership, one should discover what the CEO's job actually involves and what exactly they do on a daily basis. According to G. Yukl's research, executives usually work very long hours, often overtime, take work home and cannot relax even on vacation. The pace of work is fast,

involving many interruptions, such as phonecalls, messages, meetings, requests for help and guidance, dealing with conflicts and complaints. The work is extremely varied, with each task lasting quite a short period of time. Most of the time executives have no choice but react to problems that appear, instead of thinking about long-term strategy and vision, doing urgent things ahead of important. Interestingly, they tend to spend more time not with their subordinates, but with lateral peers and people outside the company, such as customers, suppliers and managers from other organizations. Therefore, time-management and decision-making appear to be of great importance in executive work (28, pp. 24-26).

On the subject of executives' roles, they are defined by the nature of the position. They are as follows:

- Hiring and dismissing
- Training new employees
- Guiding and assistance
- Decision-making
- Strategic and day-to-day planning
- Giving feedback to workers and peers
- Promoting
- Organizing and monitoring the processes

- Representing the company and networking
- Dealing with conflicts
- Allocating resources
- Negotiating with customers, suppliers and employees
- Authorizing documents and activities
- Chairing meetings
- Coaching and mentoring
- Hosting important events, like retirement parties or annual conferences  
(28, pp. 29-31).

According to the researcher, good leaders have to be kind and understanding visionaries, able to make employees fulfil tasks not only because they are part of their job description, but for the good of the whole company and the country.

## **1.2 The laws of leadership**

The following sub-chapter aims at briefly describing the 21 main laws of effective leadership and leadership myths according to J.C. Maxwell. One should bear in mind that these are very general rules, so the researcher believes that they are applicable for most Japanese companies in China.

1. The law of the lid: leadership ability is not the same as management, which is maintaining systems and processes, but a kind of lid, an umbrella, that determines a person's level of effectiveness (14, p. 5).
2. The law of influence: true leadership cannot be appointed (14, p.13). Here J. C. Maxwell describes four leadership myths. According to the entrepreneur myth, businesspeople see opportunities but not all of them can truly lead. IQ or education also do not equal leadership (the knowledge myth). Besides, being first in the field does not mean being a leader (the pioneer myth). Last but not least, J. C. Maxwell quotes S. Huffty to illustrate the position myth: "It is not the position that makes the leader"(14, pp.14-15).
3. The law of process: "leadership develops daily, not in a day" (14, p. 23).
4. The law of navigation, which describes the navigation strategy when planning:
  - **P**redetermine the course of action
  - **L**ay out your goals
  - **A**adjust your priorities
  - **N**otify key personnel
  - **A**llow time for acceptance
  - **H**ead into action

- **Expect problems**
  - **Always point to the successes**
  - **Daily review your plan (14, p. 43)**
5. Law of addition: leaders add value by serving, valuing and relating to others (14, pp. 53-54).
  6. Law of solid ground: "trust is the foundation of leadership" (14, p. 63), and to build it, "the leader must exhibit competence, connection and character" (14, p.64).
  7. The law of respect: "people naturally follow leaders stronger than themselves" (14, p. 73). To gain respect, a leader needs to have respect for employees, be courageous, loyal and do his best to add value to others (14, p. 79-80).
  8. The law of intuition: "who you are determines what you see" (14, p. 87). In order to develop intuition, a leader should learn to adapt, read literature on relationships and talk to more people (14, p. 101).
  9. The law of magnetism: "effective leaders are always looking for good people they want to have in their organization" (14, p. 103). Leaders look for people similar in attitudes, values, background and energy level. Therefore, J. C. Maxwell suggests that managers list their strengths and weaknesses and look for different people to make up for their disadvantages (14, pp. 106-111).

10. The law of connection: "relate to people as individuals" (14, p. 115). In order to connect with people, leaders should be sincere, know their audience, focus on the listeners, not themselves, offer direction and hope (14. pp. 117-119).
11. The law of the inner circle: "a leader's potential is determined by those closest to him and leaders do not succeed alone" (14, p. 127).
12. The law of empowerment: "leading well is not about enriching yourself - it is about empowering others" (14, p. 141). Barriers to empowerment lie in desire for job security, resistance to change and lack of self-worth (14, p. 146-148).
13. The law of the picture: "the leader's clear vision of the future makes it come true" (14, p. 155). In this respect, J.C. Maxwell suggests leading by example, having strong ethics, being fair, competent and giving recognition to employees (14, p. 163).
14. The law of buy-in: "people buy into the leader and then into the vision" (14, p. 169). To make people buy into the leader, the leader has to build relationships, be honest, set and follow a high standard, give employees tools to perform more successfully and help them become leaders too (14, p. 178).

15. The law of victory: "leaders should find a way for the team to win" (14, p. 179). Victorious leadership should be committed, creative, passionate and responsible (14, p. 181).
16. The law of momentum (right time, place and decision): to encourage momentum one must stay motivated, passionate and celebrate people's accomplishments (14).
17. The law of priorities: "activity is not accomplishment" (14, p. 207).
18. The law of sacrifice: "a leader must give up to go up" (14, p. 219). To illustrate, a leader must "be willing to trade something of value he possesses to gain something valuable that he does not" (14, p. 231).
19. The law of timing: "when to lead is as important as what to do and where to go" (14, p. 233).
20. The law of explosive growth: "instead of wanting to be needed, want to be succeeded" (14, p. 245).
21. The law of legacy: "a leader's lasting value is measured by succession" (14, p. 257).

### **1.3 Company cultures and leadership styles: Greek gods and leadership on different levels of relationships**

In the article "What Can We Learn About Management From the Greek Myths?", J. Towner compares different organizational cultures to the

personalities of Greek gods. In companies having autocratic Zeus culture, an employee's success in the company depends on his relationship with the boss (24). This kind of culture corresponds to Level Minus 1 of relationships within the company in E.H. Schein and P.A. Schein's classification and is characterized by "total impersonal domination and coercion" (21, p. 3). Unfortunately, a great number of Chinese companies function on this level, which makes it extremely hard for Japanese managers in terms of communication, building trust and relationship between employees of different departments and decision-making, the Chinese employees expecting their managers to make all decisions for them.

The second type of organizational culture in J. Towner's classification is paternalistic Apollo culture, which is characterized by roles within the company and job descriptions (24). It corresponds to Level 1 of employee relationships in E.H. Schein and P.A. Schein's classification, legal-rational leadership in M. Weber's classification, and is characterized by "transactional role and rule-based supervision and service" (21, p. 3). The majority of Japanese companies, including Tsuchiya Ltd., where the researcher works, and a few Chinese companies have this kind of organizational culture.

The third type of business culture in J. Towner's classification is the democratic "Athena" culture (24), in which the hierarchy is quite flexible, with employees working on several projects at the same time, being sometimes team leaders, and sometimes team members. The relationships in this type of



culture, also called Level 2 in E.H. Schein and P.A. Schein's typology (21, p. 3) are closer than in Level 1, the managers encouraging friendships and trust among employees, leading to higher motivation levels and an increase in productivity due to the fact that the employees focus not only on their job descriptions but on the good of the whole team, department or company. The researcher believes that at present this is the level of relationships and organizational culture to strive for in Japanese companies in China, not in terms of hierarchy, however, but in terms of building relationships.

The fourth type of business culture in J. Towner's classification is the free-rein Dionysus culture (24), corresponding to Level 3 relationships within the company in E.H. Schein and P.A. Schein's typology. It is characterized by very close family-like relationships and total mutual commitments (21, p. 3). The researcher believes, that this level of relationships is not suitable for Japanese companies in China due to the sheer number of employees, difficulty in management, and the logistic inability of employees to be committed to so many people within the company.

All things considered, the researcher's purpose is to find ways to transform the mix of Level Minus 1 and Level 1 of relationships into Level 2 within Tsuchiya Ltd. and give other Japanese executives in working in China suggestions how to do the same.

#### **1.4 Effective communication as a prerequisite to effective leadership**

The following sub-chapter will describe what comprises what successful communication within the company should be like. According to J. Maeda, "the shortest communication path between two people is straight talk" (12, p. 31). What matters as well is non-verbal communication, such as the speaker's tone of voice and hand gestures. In other words, how a leader comes across as a human being matters even more than the words or numbers he says (12, p. 33). Indeed, many psychologists agree that most people value being warm and humble over being competent, because being too competent often comes across as a threat. Consequently, being a humble and respectful leader, not coercive or dominant is becoming more and more important due to the fact that nowadays managers deal with multicultural teams, task complexity is increasing and the reasons for failures are often not merely technological but socio-technical (21, p. 7).

According to T. Erikson, a manager should remember that they have little control over what employees, suppliers and customers want to hear and understand because how people behave and feel is influenced by many factors, such as genes, environment, culture, biochemistry and core values (6, pp. 8-9). That is why leaders need to adjust themselves to how others want to be talked to in order to become more successful communicators (6, p. 1). Of course, if they are talking to like-minded people, they can be themselves, but most of the time they have to deal with different personalities and cultures, so

they need to learn to wear different masks (6, p. 4). The next sub-chapter will describe different personality types and ways of building relationships with them.

### **1.5 Leading people with different personality types**

T.Erikson divides people into four main personality types: Red, Yellow, Blue and Green and suggests ways of building successful relationships with the people of each type. This sub-chapter will give a brief description of each type and offer ways for the leader to adapt to their behaviour and communication style.

A Red person is ambitious, dominant, task-oriented, categorical, fast and loud (6, p. 16). They dislike endless discussions and deliver opinions directly. With this kind of people, one should cut the small talk, speak about business, give them authority and challenge, show them why details matter as much as deadlines and tell them that their sarcasm and tantrums hurt others and cannot be tolerated (6, pp. 130-138).

A Yellow type is cheerful, talkative, popular, intuitive, motivating and good at making suggestions and creating relationships (6, pp. 28-35). To get them to work instead of talking, a manager has to be kind, clear and explain why details matter as much as creativity. This type is susceptible to flattery, so a compliment on the job well done should really motivate them. To encourage

them to make decisions, managers need to ask them how it feels and not overload them with too many details (6, pp. 139-149).

The Green type is the most common type of people. They make good followers, as they are balanced, do not like conflict and too much attention to their person, are tolerant, kind, good listeners, take their time, are team players, selfless and calm but they become anxious in new situations and dislike change (6, pp. 37-47). To build relationships with them, a leader should be prepared to listen patiently and respond to their fears and anxiety. They often lack initiative, so they should be provided with clear instructions. In order to make it easier for them to get used to the changing environment, the new processes should be explained thoroughly and divided into small steps (6, pp. 150-157).

The Blue behaviour represents typical Japanese mentality, which is why most Japanese employees are to some extent "blue" in their personalities due to the influence of Japanese culture, even though their dominant personality color might be different from blue. A Blue person likes to assess, evaluate and classify, they are systematic, attentive to detail, calm and thorough, and instead of building relationship with a wide range of people, they focus on best friends and immediate family (6, p.48). To adapt to this behaviour, a manager should praise them for their attention to detail, give them enough information before asking them to make a decision, be prepared before discussions because they will gather all the statistics beforehand and very often be better

informed than their managers, discuss the matter at hand and do not do much small talk as it makes them suspicious (6, pp. 158-168).

With the help of observation and personality surveys, a manager should be able to discover the employees' personality types. The job of the leader is not to try to change the personalities, but match the right person to the right task. For example, a Red person is good at fast decision-making in times of crisis and simply getting things done. A Yellow type will be perfect for entertaining customers and organizing office parties. A Blue person is likely to write an important report with the ultimate precision, and the Green person is good at doing tasks that require time, patience and compassion to others. If the company culture is still on Level Minus 1 or Level 1, there is little place for understanding personalities and celebrating diversity, just orders, roles and job descriptions. However, on Level 2, when the leader is willing to make a step further to build closer relationships among the employees, the tasks will be performed with higher productivity and motivation.

## **1.6 Conflicts and leadership errors**

Conflicts within the company are inevitable due to differences in expectations, personalities, and due to the sheer complexity of tasks at hand. According to E. H. Schein and P. A. Schein, conflicts might also appear when employees resist to speak up or disagree when they meet a problem, when the leader

does not want to hear about problems unless an employee suggests an immediate solution, and when the company rewards stars instead of teams (21, pp. 8-9). Another leadership error is described in M.Imai's work "Gemba Kaizen", when a manager sits in the comfortable office all day long instead of spending most of his time together with his employees in "Gemba", the workshop, the assembly hall, the office, the shop floor, where things happen (9).

Modern leaders should look at conflicts not as failures in communication, but as opportunities to improve their organizational and communication skills. J.Maeda distinguishes between constructive conflict, which aims at creating something new or achieving a goal, and destructive one, which is about "tearing things apart" (12, p.57).

An interesting way of dealing with the so-called "spirited" or "different" employee was described in J. Maeda's book "Redesigning Leadership". The author gives an account of a situation, in which a director of an organization in Tokyo refused to fire an employee whom everybody disliked. The director explained his decision by saying that the employee was good at his job. He added that "an organization is like a human body. It needs "viruses" like him so the body can learn how to survive and remain strong" (12, p.53).

In conflict resolution what matters most is prevention. This can be done by learning about the culture in which an executive works, as well as the personalities of the employees, using the criteria and descriptions of

personality traits (Red, Yellow, Green and Blue) introduced by T. Erikson, mentioned in the previous chapter. Many communication, quality and safety problems can be prevented if the leader spends more time on the shop floor, when workers are encouraged to report problems, find root causes and solutions in teams and are rewarded for the best suggestions. According to Herzberg theory about motivating and demotivating factors influencing employees at work, recognition, responsibility and achievement, not really the payrise, will stimulate workers. However, bad relationships at work, a domineering manager, lack of recognition and security will have the opposite effect (2).

### **1.7 Leading change**

In many countries executives and employees do not welcome change, especially due to its unpleasant psychological effect. However, leading innovation, change and improvement is one of the manager's tasks. This aspect of leadership is very difficult, especially in traditional Asian cultures that respect order and stability. That is why leading change in China should be done in small steps, through step-by-step continuous improvement, rather than a total shift in overall strategy. Here the Japanese Kaizen strategy can be of great assistance (9).

There are different ways to approach change management. According to the attitude-centered approach, change is managed through implementing Kaizen strategy, different training programs, team-building and culture change programs. People who resist change should be first focused on, and it is better to make them the facilitators of change (28, p. 77).

On the subject of role-centred approach, it involves redesigning of jobs, changing work evaluation criteria and changing the way executives interact with their subordinates (28, p. 77).

The reasons why employees might resist change are that they might think that the change is not necessary, not feasible, too expensive or inconsistent with their values (28, pp. 80-81), for example when the management decides to have a more flat organizational structure, such as changing the "Apollo" culture to "Athena" culture, with less hierarchy and shared responsibility. Resistance happens not as a result of stubbornness, advanced age or lack of education. Dealing with it is mainly a psychological problem, so it requires emotional solutions, a lot of explanation, guidance, assistance and encouragement.

In order to implement change, one must first understand and explain the reasons for change, formulate a vision, decide upon the object and the subject of change, identify supporters and opponents, write up a strategy for change implementation, decide upon the steps and procedures to follow, guide and



assist workers in the process, help them deal with stress and display confidence that everything will work out for the better (28, p. 83-84).

### **1.8 The eight aspects of leadership: working with multicultural teams**

In the following sub-chapter the researcher will describe the eight-scale model of leadership proposed by E. Meyer in her work "The Culture Map". It will demonstrate how business cultures across the world differ in eight aspects, and in the second chapter of the dissertation it will be the basis of comparing organizational cultures in Japan and China.

The first aspect is communicating. In this respect countries can be described as those with high-context culture, like Japan or China, and low-context culture, like the United States. High-context culture means that the style of communication, the choice of vocabulary, the non-verbals are more important than the actual content of the message. In low-context cultures people say what they mean and mean what they say. The two types of cultures developed in different ways due to historical reasons. In the United States, where almost everyone used to be an immigrant at some time, people spoke different languages. Hence, the message had to be simplified and the content mattered. In extremely hierarchical Japan and China, however, the rank of the person influenced and still influences not only the language used, but also the content of the message (16). The problem lies in the fact that it is considered impolite to disagree with the superior, even if the employee strongly believes that his idea is much better than the leader's. It is customary to agree with

everything the leader says, which may cause delay in problem-solving. That is why the researcher has mentioned in the introduction that most research on management and leadership published in Europe or North America has to be adapted to Japanese and Chinese working environments.

The second aspect of leadership is evaluating, or giving feedback. Most executives believe that giving positive feedback in public and negative in private is the ultimate solution, but apparently, it is not as simple as that. For example, in the U.S. abundant positive feedback is given, and very little negative feedback, which might lead employees from Russia, France and Germany, used to a lot of direct negative feedback, ignore it altogether, it being overpowered by so much positive feedback (16). Not surprisingly, Japanese people dislike negative feedback, but when an American executive gives a Japanese star employee a bonus or a raise, the Japanese employee will most likely refuse it because he thinks that in this way he will show loyalty to the other team members who have not been rewarded. In China, negative feedback and punishment are given in abundance, with managers posting announcements on the walls for everyone to see on how many times an employee has been late and how much was deducted from his salary. This Level Minus 1 culture makes it hard for Japanese executives to give feedback to Chinese employees because if he shows respect and understanding typical of Level 2 culture to the guilty employee, this is often seen as weakness, not kindness.

The third aspect of leadership in E. Meyer's typology is persuading. In countries like Germany, Russia, Britain and Japan, for instance, when negotiating, principles, details and research are of utmost importance. The listener would like to hear numbers, see some data and understand the reasons why a proposal will work. In the U.S., Canada, Australia and China, however, the listener is more interested in the implementation of the idea. They would like to hear what other organizations did and see a simple bullet point list on how to implement the idea instead of listening to lengthy speeches and reading the statistics (16).

The fourth aspect is leading the company. In egalitarian cultures with long history of democracy, like the U.S., Denmark, Israel, Iceland, Holland and Sweden, decisions are made together, and the leader often looks like the other employees, wearing a T-shirt and riding a bicycle to work. In hierarchical cultures that used to have a king, or an emperor, this is who the boss is - the king, having a big fashionable office and is treated as a demi-god (16). Interestingly, in Japan, a very hierarchical society, many American business practices have been adopted since the end of the Second World War, and decisions are often made bottom-up, with employees proposing an idea to the mid-management, and the mid-management, in turn, proposing it to the Board of Directors, which in Japan is called Ringi system. As can be seen, Japan and China have different views on leading the company despite similarities in business culture.

The fifth aspect of leadership is building trust. E. Meyer describes two kinds of trust - cognitive (mixing work and friendship is unprofessional), like in the U.S. and affective (friendships and loyalty are the basis of a business relationship). Here China and Japan are similar, using team-building activities and drinking parties ("nomikai") to discuss business contracts.

The sixth aspect in E. Meyer's classification is disagreeing. In countries like the U.S., France, Germany and Russia, disagreement means that people are being honest, but in Japan and China, disagreements are taken very personally and are viewed as "a loss of face" (16).

In terms of decision-making, the seventh aspect, countries are divided into "Small d" and "Big D" decision-making countries. In the first type, common in the U.S., China and Russia, decisions are made by the authorities, are made fast and can often be changed. However, in Japan and Germany, the "Big D" countries, people take their time, consider the merits and demerits, discuss a lot, and only then decide, being very reluctant to change the decision afterwards (16). This obviously is a cause of stress for Japanese executives working in China, as they are often asked to make decisions quickly and unilaterally, without consultation and then bear all the responsibility.

The last aspect in E. Meyer's typology is scheduling. Japanese people, the typical "Blue" type in T. Erikson's classification, make laborious schedules and follow through. They are very linear and do not like changes in timetables, just like people in Germany and to a lesser extent, people in the U.S. and Britain.

However, Indian, Chinese and Spanish-speaking people tend to be more flexible in this respect.

The second chapter will illustrate in more detail how Japanese and Chinese organizational cultures differ on the eight-scale model previously described.

## **CHAPTER 2: LEADERSHIP IN JAPAN VERSUS CHINA: THE ACCOUNT OF THE CURRENT STATE OF AFFAIRS BASED ON AN 8-SCALE MODEL**

Being prepared is not a matter of how much you practice.

It is about knowing that even if you fail, you will not give up.

John Maeda

### **2.1 Communicating**

Erin Meyer in her work "The Culture Map" discovers eight aspects in which people from different countries communicate and do business together. The first aspect of business culture and leadership is communicating. Some countries have high-context culture and some low-context culture. High-context culture means that the environment and the culture influence the way people communicate, and those two are more important than the message itself. For example, Japan and China both belong to high-context culture (16). When a Japanese worker talks to his superior, he will use a very formal version of Japanese, mainly agreeing with what the superior has to say. With his inferiors the situation will be the opposite, with the inferiors agreeing with his opinions. The real true meanings will be expressed in conversations with good friends, so workers are encouraged to deepen their relationships during office and outdoor parties, the "nomikai", or the drinking meetings. China and

Japan have high-context cultures due to the fact that both nations are highly homogenous. Besides, in the course of history, the representatives of those nations were forced to live in the same city or village without getting much chance to travel due to desire of their leaders to yield political influence and control people. As a result, in the course of their lives people would see the same people every day, have the same jobs for generations, so extra words expressing meanings became unnecessary, but many of those relating to expressing respect to one's status remained. However, in the United States, where everyone comes from different countries, the message was extremely important and it had to be rendered in the simplest forms possible so as to warn the inhabitants of the New World of danger, for instance. Therefore, when Americans build relationships, they listen mainly to the content of the message, but in Japan and China they care mostly about the degree of respect and correctness in which the message is rendered. Compared to Japanese people, Chinese people are more direct when expressing disappointment, but reluctant to give opinions if it leads to the "loss of face". For the same reason, the Chinese find it extremely hard to admit mistakes and tend to shift responsibility when having to make a decision.

## **2.2 Evaluating (giving feedback)**

In Japanese companies employess and their management agree upon the goals to achieve in professinal development interviews. Then the goals and

their achievement is discussed in further regular meetings. The process of goal achievement is also very important, and if the goals have not been achieved, there is support and encouragement with the focus on the process. The problem with Chinese company culture is the focus on the result, with little or none positive feedback, and negative feedback given in public with announcements on punishments hung on the walls of the office for everyone to see.

### **2.3 Persuading**

In European countries like France and Germany, persuasion is done with the help of principles, statistics and is very often highly theoretical. In the U.S., China and Japan, salespeople focus on the know-how, the practical uses of the product and the experience of using the product in other countries and companies. In Japan salespeople advertise the features of the product, describe the product line in detail, cover the details from the user manual, are interested in the user feedback, stress the high quality of the product and finally discuss the price. Compared to the Japanese, Chinese are more interested in the cheaper price, fight for discounts and value that much more than the product quality.



## 2.4 Leadership styles

Erin Meyer divides the business cultures of the world into two types: hierarchical and egalitarian. Hierarchical cultures developed historically in countries like Japan, Russia and China, where in the past they had kings and emperors. More or less egalitarian cultures are present in countries with parliamentary systems in their history (16). Despite the fact that both Japan and China have a hierarchical leadership style, Japan is becoming more egalitarian under the influence of modern ideas, classes and textbooks on Management published in the U.S. and Europe. Ringi system and suggestion boxes, elements of egalitarian company culture are used, with bottom-up decision making schemes, allowing company workers voice their opinions. Ringi system works in the following way:

1. An employee comes up with an idea for improvement or needs approval for something.
2. A document called "Ringi-sho" (Ringi letter), containing the goal, benefits and costs is created. There are standard forms for this document.
3. The employee gets the approval of his department to proceed with the matter by discussing the problem, getting their approval and having them sign their name on the "Ringi-sho".
4. Then the document is taken to the manager who discusses the proposal with the other department managers.

5. If the managers agree upon the solution to the problem, they approve by signing their names.

6. The "Ringi-sho" is given to the CEO for approval or otherwise.

The advantage of Ringi system is that this decision-making process receives the approval of all workers in the company, which makes it much easier to implement change. However, the researcher believes that one disadvantage is that sometimes it is used more often than necessary, for very small decisions, and causes loss of valuable time. One should use Ringi for very important decisions, not every small decision, because it causes unnecessary delays.

Unfortunately, in recent years, China has become even more hierarchical with the power concentrated in the hands of very few leaders. As a result, workers in China are becoming more and more passive, expect to be ordered and avoid responsibility for making decisions.

## **2.5 Building trust**

Erin Meyer describes two types of trust: cognitive and affective (16). Cognitive trust is present in European countries and the U.S. and means that people trust each other because they have signed a contract with clear job descriptions and responsibilities. In Japan and China, countries with affective trust, contracts are not as important as the relationships between the both parties. Very often in China business is done and trust is built "behind the scenes", with the help of gifts and third-party introductions. There is a word for

that, which has even entered the English language, the *guanxi* (Chinese: 关系, meaning "relationship"). If there is a need for something, a conflict that needs resolution, it is much easier to find *guanxi* to improve the situation, rather than solve the problem American-style by filing a lawsuit.

The advantage of affective trust is that once one party has failed to deliver, it is easier to deal with failure because both parties are close friends. However, one demerit is that sometimes one party can take advantage of the other party and not deliver on a regular basis, leaving the other party with a large amount of work undone.

## **2.6. Dealing with disagreements**

According to Erin Meyer, in countries like France, Russia and Germany people voice disagreements very openly and even enjoy a good argument for the sake of finding the truth (16). They look at arguments as a sort of enriching intellectual exercise. However, in Japan and China workers disagree with their employees indirectly and generally do not voice disagreements, because disagreeing with a person's opinion means "loss of face" and disliking the person voicing an opinion.

## **2.7 Decision-making**

Decision-making is one of the most important responsibilities of an executive. Very often decisions are confused, disorderly, emotional and political, with a degree of intuition, anxiety, procrastination, insecurity, stress and even panic

due to limited time and lack of information (28, p. 26). Therefore, involving others in decision-making can improve decision choice (28, p. 27).

Erin Meyer divides countries into small d decision-making countries (Japan and Germany) and Big D decision-making countries (the U.S., Russia, China). The first type make decisions slowly after gathering information and a lot of discussion. The decision is usually made once and for all. The second type make decisions quickly and often change them in the course of time (16). This often becomes a reason for discontent when the Japanese and the Chinese work together. Japanese managers are forced to make decisions fast, assume full responsibility and are not given enough information.

## **2.8 Scheduling**

Erin Meyer suggests that in some countries there is linear scheduling system, like in Japan and Germany, where workers are focused on targets and follow a detailed plan. In Spanish-speaking countries, India and China businesspeople are far more flexible, which makes their colleagues uncomfortable and even stressed out. Some countries like France, for instance, fall in between those categories, which becomes very interesting when businesspeople from Japan and India, for example, give completely different opinions on French colleagues' scheduling habits and punctuality.

## CHAPTER 3: PRACTICAL SUGGESTIONS TO JAPANESE EXECUTIVES

### LEADING CHINESE TEAMS

Work is easier, when it is just work.

It is much harder when you actually care.

John Maeda

#### 3.1 Redesigning leadership in China: the main tenets

The main problem for Japanese leaders in China is that workers lack initiative, are afraid to take responsibility, are afraid of making decisions and focus on their job descriptions and paychecks, not caring much about the company as a whole. To solve this problem, the business culture needs to be transformed from Minus One Level and Level One to Level Two in E.H.Schein and P.A. Schein's typology, with more committed relationships and workers genuinely caring about the other workers in the company and the good of the organization itself. To do that, managers need to do the following:

- Acknowledge when failed policies demand a change (5, p. 213)
- Collect first-hand information and ask questions (5, p. 214)

In Japanese companies this process is called "Hourensou" (Japanese: *hou* - report, *ren* - contact, *sou* - discuss). Chinese workers need to be educated in

this practice so that they stop hiding problems from management for fear of "losing face".

- Find time and place in which to think about the problems quietly (5, p. 214)
- Compromise before making executive decisions (5, p. 216)
- Take full responsibility for an important decision (5, p. 221)
- Understand the emotional needs of each member of the team (5, p. 223).  
Here T. Erikson's typology discussed in sub-chapter 1.5 of the dissertation will be of great help.
- Forgive and forget past resentments (5, p. 224)
- Set a standard of mutual respect and dignity and control anger (5, p. 225)
- Shield co-workers from blame (5, p. 226)
- Find ways of dealing with stress, maintain balance and replenish energy (5, p. 228). Those are discussed in detail in sub-chapter 3.5 of the dissertation.
- Keep your word (5, p. 230)
- Know when to hold back, when to move forward (5, p. 233)
- Be approachable (5, p. 236)
- Combine transactional and transformational leadership

Transactional (Level One) leadership is the one focused on job descriptions, rewards, punishments and paychecks. Transformational (Level Two) leadership focuses on higher goals, the vision of the future, making the company and the country better (5, p. 236).

A good way to understand the main tenets of leadership in a Japanese company is through discovering the structure and the symbolism of a Japanese Zen garden and comparing it to the way Japanese companies operate. A Japanese executive could explain the way he is going to lead to his Chinese subordinates by using the symbolism of a Japanese Zen garden.

Traditionally, a typical Japanese stone garden, or Zen garden, has several elements. Their symbolism and its application in leadership and management will be described below.

The first element of a Zen garden is water (*mizu*). It is represented by man-made ponds, rivers or waterfalls. Water represents impermanence, the purity of intent and ideas, the flow of time, innovation and change.

The second element is stone (*ishi*). Beautiful rocks are collected from many places and arranged in meaningful patterns in the garden. Rocks can represent a crisis or problems that can appear. In one of the gardens in Kyoto, Japan, there is an installation of 15 stones, but interestingly, they are arranged in a way that from whatever angle the stones are looked at, the observer can

only see 14 stones. Consequently, the last stone represents a hidden threat or an opportunity.

The third element is sand or little pebbles (*suna*) surrounds the rocks (problems) and represents the many employees working on a project or solving a problem. The beautiful sand patterns are regularly changed with the help of a rake (communication process) by the gardener (the leader).



**Photo 1: *Suna* and *ishi* in the Zen garden (27)**

The traditional Japanese garden almost never has bright large flowers like roses, water lilies or peonies, so often present in exuberant and huge Chinese gardens. The plants (*shokubutsu*) grown there are usually trees and small shrubs, such as a pine (representing strength and charisma of a leader), bamboo (flexibility in making decisions and adapting to change), plum (it being the first flower to blossom in Japan in late winter, it symbolizes success, hope, optimism and endurance in times of adversity).

The fifth element is a bridge (*hashi*), representing networking, connections between companies and relationships between the employees.



Moss (*koke*), so often regarded as a weed and a nuisance in European gardens, is held in high regard by the Japanese, who grow it on purpose and find its softness very cosy and appealing. Moss represents the way the Japanese deal with conflict, not by breaking the rocks but by growing moss over them, by avoiding sharp corners, creating harmony, quiet and mutual respect, which are also the elements of Level Two business culture.

The other Zen Buddhism principles present when creating a Zen garden are also present in the management and leadership of a Japanese company. One of the elements is *wabi-sabi*, a traditional Japanese aesthetic value of simplicity, austerity, poverty, sadness and old age. In the Zen garden it is represented by mild colors, absence of bright flowers and sharp angles. For a Japanese leader it means simplicity in speech, kindness, refusal to wear very expensive suits and brand-name watches in order not to humble his subordinates. It is also present when the executive decides not to work by himself in a fashionable office at a table which costs some employees' annual salary, but working with his subordinates right there on the shop floor or assembly hall, the "Gemba".

Asymmetry also present in Zen gardens characterizes freedom from habit, desire to innovate and implement change in small steps. The tranquility of the garden is just the same as the kindness of a Japanese leader, accepting suggestions and feedback from the employees and encouraging them to work hard.

When leading a sales team, a department or a company in China, a Japanese executive must understand that although principles of Zen are known to the Chinese, they view them a bit differently and many of them will still prefer symmetry (represented by resistance to change) and bigness (huge flowers, a fancy car and a formidable leader), so Chinese workers need to be educated on a regular basis in the tenets of a softer and more harmonious Japanese way of leadership.



**Photo 2: The asymmetry, tranquility and simplicity of a Zen Garden (26)**

### **3.2 Suggestions on how to redesign leadership based on the 8-scale model**

In terms of communicating, both cultures are low-context, so there might be some difficulty for a Japanese manager to know the real opinions. In this

respect it is suggested that deeper relationships on Level Two are built with the help of the "nomikai" and team-building activities and suggestion system is implemented. Below there is a suggestion box used in Tsuchiya Ltd. Tianjin branch.



**Photo 3: Tsuchiya Ltd. Tianjin Branch Suggestion Box (taken by the researcher)**



**Photo 4: Tsuchiya Ltd. Tianjin Branch Suggestion Box (taken by the researcher)**

As far as feedback is concerned, the researcher has the following suggestions:

- Give positive feedback in public and negative in private;
- Avoid posting humiliating notices on office walls about the employees' mistakes and punishments;
- Set SMART goals together with employees and discuss ways of achieving them;
- Focus not only on the result but also on the process.

On the subject of persuading Chinese businesspeople, they need to see that first and foremost they are getting a good deal in terms of a cheaper price. Quality is only second important and the Chinese will have little interest in the theories behind the product development or statistics.

D.G. Myers in his work "Social Psychology" refers to research done by A. Eagly and S. Chaiken, according to which persuasion happens via two routes - the central route (occurs when interested people focus on the actual arguments and respond) and peripheral route (triggering automatic response without thinking), often used in advertising and political propaganda (19, p. 228). While different routes can be used for different purposes, the central route, using strong arguments, leads to a more enduring change in behaviour (19, p. 229). The important elements of persuasion except the content of the message are credibility, perceived expertise, perceived trustworthiness (that the communicator is not trying hard to persuade), physical attractiveness

(attractive people are more likely to persuade), similarity (people tend to believe communicators similar to them to some extent) and association with good feelings (19, pp. 231-237). If the message is communicated in person, it is usually more appealing (19, p. 251). Therefore, for sales teams to be more successful at persuasion and negotiation, an executive can give them the following suggestions:

- Appear credible by providing examples of our products' success in other countries and companies,
- Do not do the hard sell - the customer needs to feel it is his decision to purchase based on informed choice,
- Dress smartly to show respect,
- Find common ground and any similarities,
- Discuss deals in a pleasant and friendly environment that will give the customer pleasant feelings.

As for the leadership styles, the researcher suggests that the Chinese company culture should become more egalitarian with the help of suggestion systems and critique meetings in which employees are welcomed to offer constructive criticism. Egalitarian leadership style on Level Two will ensure that faults are discovered early in the production process. Besides, it will ensure that employees are respected, valued and happy in the workplace, which will lead to higher motivation and productivity.

In terms of trust, affective trust relationships work better both in Japan and China due to historical reasons. However, it is always better to sign a contract in order to protect oneself in case things go wrong.

In view of voicing disagreements, the researcher suggests that despite both Japan and China being high-context cultures, it is better to teach the employees voice disagreements more openly for the sake of the improvement of production process and early discovery of faults in products.

As for decision-making, the researcher believes that in modern business environment there is nothing wrong with fast decision-making, but suggests that the Chinese employees should also try to help the manager and gather as much information as possible to facilitate the process.

Finally, as for scheduling, the researcher suggests that a compromise should be reached between the linear Japanese scheduling system and the flexible Chinese one. It is suggested that work be planned carefully, but in terms of deadlines, managers can allow more flexibility.

### **3.3 How to build better relationships with Chinese staff**

Humans have an irresistible urge to explain behaviour, to attribute it to some cause and make it seem orderly, predictable and controllable. People react differently because they think differently (19, p. 5).

Unfortunately, sometimes relationships between executives and subordinates deteriorate not due to their differing personalities or cultures, which are quite hard to change and adapt to, but because of disorganized and confusing processes and procedures in the workplace.

If the employees are indifferent towards work, a manager has to give them attainable goals and suggest ways to achieve them, use inspiration, vision and encouragement, set an example, be ready to discuss and consult and praise effective behaviour and working process, not just the result (28, p. 171).

If the employees are not sure about how to do their job, the executive has to provide them with clear assignments and objectives, give regular feedback and coaching, arrange on-the-job skill training and peer-teaching (28, p. 171).

If the whole team cannot work together, the manager must explain what the common goal and interest is, provide conflict resolution, do team-building activities and, check if the resources have been adequately allocated and reduce competition (28, p. 171).

If the coordination between departments is not sufficient, an executive has to help them network to get to know each other, reward successful cooperation and consult workers from different departments when making decisions (28, p. 171).

According to E.H. Schein and P.A. Schein, a relationship is an interactive concept, it is a set of people's expectations about each other's behaviour. A



good relationship means that people are comfortable working together working toward a common goal (21, pp. 22-23). Building relationships on Level 2 means that they have to be personalized, meaning that an employee should be seen as a whole, not as a job description (21, pp. 24-25). Personalized relationships, or friendships mean that people have invested themselves emotionally, have made themselves vulnerable, are honest, and feel safe when asking for help or reporting problems (21, p. 25). Collaboration will create a better working atmosphere than subordination (21, pp. 25-26). Therefore, friendships among Chinese staff between different departments in the company need to be encouraged with team-building activities and the Japanese-style "nomikai" (drinking parties). This is important, because the researcher has discovered that Chinese employees, unlike Japanese employees, are highly unlikely to do the job outside their job description out of kindness to help workers from another department solve a common problem facing the company.

The first step in building relationships is finding out about each other's personalities. The table that will help the manager discover his subordinates' personal characteristics is provided at the end of this sub-chapter and it has been adapted from T. Erikson's work (6). Chinese workers in Japanese companies are supposed to be able to speak Japanese, so Japanese translation has been added to the table in order to make it easier for Chinese employees and Japanese executives. The table can be printed out, and the

Chinese workers can be asked to underline the adjectives that best describe them. When the executive knows more about the employees' personalities, he can match the right person with the right job and arrange for workers with complementary personalities to work together. If job-rotation is not feasible, the manager can arrange a team-building (storming) activity in which workers on a future team describe their personalities, likes and dislikes to each other in order to prevent conflicts. Attendees could be arranged sitting in a circle telling their stories and taking notes about other participants. The story should sound like this: *"Good morning, everyone. My name is Mark, I am the project coordinator and I am excited to be on this project. Let me tell you about the way I work. I think, I am very methodical and organized. I prefer doing things in linear fashion. I take time when making a decision, and I need all the possible information and statistics in advance. I do not like to be pushed or micromanaged."* Another example: *"Hello, I am Amanda, the team leader's personal assistant. I really like socializing and taking part in activities that require thinking on my feet. I get bored when somebody gives a lengthy speech with too many details. I rely on intuition when making decisions."* It is important for the manager to know the personalities of the workers, but it is also vital for the employees to know about each other because in most cases they communicate more with co-workers than with the leader. Below are the suggestions on how to build better relationships with Red, Yellow, Green and

Blue personality types in T.Erikson's typology described in sub-chapter 1.5 of the dissertation.

On the subject of the Red personality type, managers should give them more challenge and authority, encourage them to achieve results and not waste time (6, pp. 212-214). In terms of feedback, the Red type will tend to blame others when receiving negative feedback, so the leader has to provide them with facts and examples of inappropriate behaviour. If this personality type gets angry, the manager should wait for the tantrum to end, stay calm and politely let the worker know that bad mood, sarcasm and anger will not help solve the problem and shall not be tolerated (6, pp. 169-175).

To influence the Yellow personality type, they should be noticed, praised and sometimes flattered. A manager could ask them to organize something fun and exciting, like a team-building activity or an office birthday party. This type intensely dislikes being isolated, humiliated and being given too many details and monotonous tasks (6, 214-216). When giving feedback, the manager should give concrete examples, such as "*When talking to the customer you talked 80% of the time*". They should know that it is not them, but their behaviour that might be disliked. Another thing a manager could do is flatter the Yellow type and say that he or she is a great worker and friend (6, p. 176-180).

When dealing with people belonging to Green personality type, a manager must not micromanage them because they will get anxious. Last-minute

changes will be met with fear, so if change has to be implemented, it should be done in small steps. The Green workers also do not like to be pushed into the spotlight (6, pp. 218-219). When giving feedback, the manager's task is to eliminate their anxiety and stress, so he has to be gentle, and explain that the problem is the behaviour, not the person (6, pp. 180-181).

As far as the Blue people are concerned, they should not be asked to make decisions quickly without all the necessary information. They would be unwilling to engage in risky or uncertain projects that demand creativity and innovation. The Blue workers need space, privacy and quiet surroundings to concentrate, so they should not be surrounded with pushy and loud people like the Red type, or overly emotional and sometimes disorganized Yellow type (6, pp. 220-222). Ideally, the Blues should lead the Greens on a project that requires time and concentration. The Reds should ideally lead the Yellows on tasks that require fast decision-making, creativity and innovation. When giving feedback, the manager needs to provide specific examples, and better in writing. If the leader does small talk with the Blue workers, they will become suspicious, so it is better to prepare carefully, discuss the facts in linear fashion and not to soften things up (6, pp. 185-189).

Below is T. Erikson's table, describing the 4 personality types in detail.

RED	YELLOW	GREEN	BLUE
Aggressive 積極的な	Talkative 話好き	Patient 我慢強い	Conscientious 良心的な
Ambitious 野望のある	Enthusiastic 情熱的な	Relaxed くつろいだ	Systematic 組織的な
Strong-willed 強い意志	Persuasive 説得力のある	Self-controlled 自己管理	Distant 他人行儀の
Goal-oriented 目標志向	Creative 創造的な	Reliable 信頼のある	Correct 正確な
Pushing 押しの強い	Optimistic 楽観的な	Composed 沈着冷静な	Conventional 従来型の
Problem-solver 問題解決	Social 社交的な	Loyal 忠実な	Seems insecure 自信ない様
Pioneer 開拓者	Spontaneous 自発的な	Modest 謙虚な	Objective 客観的な
Decisive 決定的	Expressive 表現豊かな	Understanding 理解力のある	Structured 構造化された
Innovator 改革者	Charming 魅力的な	Lengthy 長たらしい	Analytical 分析的な
Impatient 我慢できない	Full of vitality 活力に満ちた	Stable 安定した	Perfectionist 完璧主義
Controlling 制御	Self-centered 自己制御した	Prudent 慎重な	Needs time 時間に追われた
Convincing 説得力のある	Sensitive 敏感な	Discreet 控え目な	Reflecting 反射的な
Performance-oriented 実行志向	Adaptable 適応可能な	Supportive 支援する	Methodical 秩序立った
Powerful 強力な	Inspiring 刺激的な	Good listener 聞き上手	Seeks facts 現実を見つける
Results-oriented 結果志向	Needs attention 注意深い	Helpful 助けになる	Quality-oriented 品質優先
Initiator 創始者	Encouraging 奨励	Producer 制作者	Scrutinizes 細かな調査
Speed 速度	Communicative 話好き	Persistent 社長	Follows rules 規則順守
Timekeeper 時計係	Flexible 柔軟な	Reluctant 気が進まない	Logical 論理的な
Intense 強烈的な	Open 心の開いた	Thoughtful 思慮深い	Questioning 研究心旺盛な
Opinionated 頑固な	Sociable 社交的な	Conceals feelings 感情を隠す	Meticulous 几帳面な
Straightforward 簡単な	Imaginative 幻想的な	Considerate 思いやりのある	Reflecting 思案する
Independent 独立した	Easygoing 穏やかな	Kind 親切な	Reserved 遠慮した

Table 1: The Four Personality Types (6)

Another important issue an executive has to deal with is what the psychologist and researcher E.N. Aron calls "highly sensitive people", the HSP. They process everything deeply, reflect more before they act, are easily overstimulated, are emotional and have a lot of empathy (1, p. x). They can sense danger or opportunity that others miss (1, p. xiv). However, if they had bad experiences in the past, an HSP can become anxious, avoidant, overloaded and overwhelmed and needs some time to restore energy. Genetic research on HSP shows that sensitivity is innate, with about 15 to 20 per cent of human population and even animal population having a highly sensitive gene (1, p. xv-xvi). HSP are highly emotional, so they also remember things better because unless there is an emotional reason to learn something, little or no learning happens (1, p. xxi). HSP are bothered by bright light, loud noise and rude behaviour and will not stay in the job where there are those annoyances and quietly quits those situations and jobs (1, p. xxii). This trait should also not be associated with shyness or introversion, but higher receptivity to situation (1, p. xxvii). They are a minority whose rights to have less stimulation are usually ignored (1, p. 9). The good news is that HSP are good at spotting errors and avoiding them, are highly conscientious, good at tasks requiring accuracy, learn subconsciously, learn languages better and have excellent memory (1, pp.10-11). Being overly sensitive is a neutral trait, which, unfortunately, used to be seen as a weakness or even a defect in Europe and America (1, p. xxv). Interestingly, sensitivity and quietness is

perceived by Japanese and Chinese psychologists as a positive trait, connecting it with better understanding, behaviour and performance on the job (1, p. 17). Historically, in all cultures of the world there have been at least two classes of people, one of which being the Assyrian warriors, the Medieval knights, the Japanese *samurai*, the Turkish *yeniceri* displaying competitiveness and aggression, and the other one being the priests and the government workers, the learned men, showing such traits as softness, sensitivity and thoughtfulness (1, p. 18). This observation shows that the society needs the sensitive type to offset the aggression of the other, more competitive type of people.

To deal with HSP, executives need to be patient and understand that their sensitivity is not a flaw, but a neutral characteristic, just like curly hair or blue eyes. If possible, they need to be assigned tasks that require working alone or in small teams. Managers should avoid over-stimulating them by asking them to make a speech in front of a large audience, but instead ask them to write or proofread the speech. HSP should be allowed short breaks during which they can drink some water to take their stress away, calm down, take a walk, or stay in a well air-conditioned room by themselves to recharge for a couple of minutes (1, p. 59). HSP need an occasional kind word, encouragement, and a regular routine. They want to be noticed for hard work and do not promote themselves aggressively (1, p. 236).

Below are some suggestions for executives who have discovered they are HSP themselves:

- Appreciate yourself for who you are,
- Praise yourself for being brave and taking risks,
- Do not compare yourself to very competitive managers,
- Interact with different talented people,
- Do not overschedule yourself and allow some time to recharge during the day,
- Be aware and proud of your abilities (1, p. 83),
- Remember that overarousal is not shyness, fear or panic,
- Talk to other HSP,
- Explain your high sensitivity to the people unaware of its existence and normalcy (1, p. 85),
- Do not do negative self-talk as it adds stress,
- Do not get upset if people reject you,
- Before making a speech or an important talk, rehearse as it reduces stress,
- Do not mind having little conflicts once in a while (1, pp. 113-115),



- Develop relationships outside work that offer comfort and a safe harbor (1, p. 130),
- In times of conflict, take a time-out (1, p. 157).

If an executive wants to discover which employee is an HSP, he can ask him to take this test offered by E.N. Aron in her work "The Highly Sensitive Person":

### **Self-Test on High Sensitivity**

- I seem to be aware of the subtleties in my environment. T/F
- Other people's moods affect me. T/F
- I tend to be very sensitive to pain. T/F
- I find myself needing to withdraw during busy days. T/F
- I am particularly sensitive to the effects of caffeine. T/F
- I am easily overwhelmed by things like bright lights, strong smells, coarse fabrics, or sirens close by. T/F
- I have a rich, complex inner life. T/F
- I am made uncomfortable by loud noises. T/F
- I am deeply moved by the arts or music. T/F
- I am conscientious. T/F
- I startle easily. T/F

- I get rattled when I have a lot to do in a short amount of time. T/F
- I know how to make people comfortable. T/F
- I am annoyed when people try to get me to do too many things at once.  
T/F
- I try hard to avoid making mistakes or forgetting things. T/F
- I make it a point to avoid violent movies and TV shows. T/F
- I become unpleasantly aroused when a lot is going on around me. T/F
- Being very hungry creates a strong reaction in me, disrupting my concentration or mood. T/F
- Changes in my life shake me up. T/F
- I notice and enjoy delicate or fine scents, tastes, sounds, works of art. T/F
- I make it a high priority arrange my life to avoid upsetting or overwhelming situations. T/F
- When I must compete or be observed while performing a task, I become so nervous or shaky that I do much worse than I would otherwise. T/F
- When I was a child, my parents or teachers seemed to see me as sensitive or shy. T/F

If a person has 12 or more true answers, he is probably highly sensitive (1, pp. xxxiii-xxxiv).

Mutual support matters a lot if a manager aims at building a Level Two company culture, with workers viewing each other as human beings with different personalities instead of job descriptions. If peer pressure and competition makes one act against good judgement, a manager does not need to resist directly and use executive power. Instead, he can try setting an example, which will be less confrontational and more effective (20, pp. 32). Setting an example works extremely well when implementing change. Another example of "good pressure" could be setting an example when making suggestions to improve the business process or the working area, such as how to organize the desks in a way that no time is wasted on looking for the necessary tools or stationery.

In order to build better relationships with customers and suppliers in networking events, one should prepare properly by doing research on who is going to attend the event, prepare a short and effective introduction of oneself and the company, show up early to meet and talk to the event coordinator to get the edge, meet people before they make their speeches when they are more excited and less tired, ask for people's insights and opinions and be confident (20, p. 173).

### **3.4 Improving the communication process**

According to E.H. Schein and P.A. Schein, there are several ways to improve communication in the workplace:

- Job rotation (21, p. 13);
- Creating a company culture in which nobody is afraid to speak up;
- Telling the employees about one's leadership style;
- Asking employees how they would solve the problem (11, p. 14);
- Making decisions collectively (11, p. 16);
- Making safety more important than productivity and profit (11, p. 17);
- Encouraging friendships (11, p. 20);
- Seeing the person as a whole, not as a role (11, p. 25);
- Adapt to how others prefer to communicate (7, p. 11).

These are very general suggestions, that are likely to work in low-context cultures in E. Meyer's typology. In high-context cultures like Japan and China, however, the employees will be less likely to speak up when making decisions and solving problems. Therefore, workers need to be educated in new ways of doing things, such as Ringi system, brainstorming meetings, critique meetings and suggestion boxes instead of executive decisions.

Another sensitive issue in high-context cultures is saying "no". Apparently, Chinese workers are slightly more direct when refusing to do something, but Japanese managers need to become more direct when saying "no" because they might be misunderstood if they refuse in the Japanese fashion. In Japan, if someone wants to refuse something, they usually say something like "Very

*good, I will think about it.*" Hearing that, their counterparts from other cultures are likely to think: *"Great! He will think about it! I have almost convinced him!"* However, this turns into disappointment and even resentment later, when they realise that no actual thinking has been done. That is why, here it is wiser to use a low-context culture way to refuse and try one's best to be more direct but polite when saying no and say something like: *"I am afraid this is not feasible, for which I apologize. However, ..."* This should be followed by an explanation and offering an alternative.

One underestimated aspect of communication is the non-verbals. In the work "The Art of Reading Minds", H. Fexeus provides some valuable insights on wordless communication. The interesting thing about non-verbal communication is that very often people pay attention to the content of the message, but not to the way how it is being said (7, p. 6). Hand gestures, tone of voice, the size of pupils all matter in message perception (7, p. 7). However, people do not notice all the non-verbal signals and often misinterpret them. If wordless communication is used effectively, managers will be able to influence their employees and help them maintain the same goals (7, p. 8). A good way to establish rapport is to mirror the body language of a person one is talking to. (7, p. 21). For instance, if a customer has put both his hands on the table, one can try doing the same thing. To the customer it will mean that a person talking to him is in a way similar to him, and people like those with similar characteristics, no matter what those are. However, this should be done very

carefully and discreetly. Facial expressions can also be imitated. Then, the person one is talking to will think that both people are feeling the same way (7, p. 23). Dilated pupils usually indicate interest and involvement (7, p. 24). Apparently, people speak at the same pace as they think and understand things, so adapting a little bit the tone, volume and speed of voice to the way the other person uses his will also help build rapport (7, p. 29). Using some vocabulary the other speaker uses will serve the same purpose. Another powerful for making rapport is to agree first, especially if the aim is to change the other speaker's mind (7, p. 43). For instance, if the customer says: *"We would like a 15% discount"*, the sales manager can say: *"We would also like to give you a 15% discount, but, at this point, we need to discuss this further."* One more useful suggestion to build trust is to encourage people to speak about themselves (7, p. 50). However, if following body language does not work, one should follow the person's thoughts and opinions (7, p. 57). Besides, knowing if a person is a visual, an auditory or a kinaesthetic/tactile type will help a manager persuade or get a point across. Visual people use language like *"I see your point"*, *"The future looks bright"* or *"Show me what you mean"*. Auditory people use *"Listen to me"*, *"I have never heard of this"* et cetera. Tactile types use expressions like *"This feels good"*, *"Taste that"* and so forth (7, pp. 69-70). By noticing the way the speaker expresses his ideas, a manager or a salesperson can choose different methods to persuade customers during making a sales pitch, such as colourful slides for visuals,

tone of voice and background music for the auditory type and handing out product samples to the tactile one.

Responding to strong emotions in workplace might be difficult. A manager should be careful when responding to sadness and anger. A good idea might be to do it at a later time in private, when the emotion has subsided (7, pp. 128-129).

To find out if a person is lying, one should notice changes in the voice. A person might start speaking quicker, higher and louder. Sentences become shorter, with digressions and repetitions present. Some people suddenly start speaking very formal language (7, pp. 153-158). However, when interpreting the person's behaviour, one should not overdo it, such as when a person crosses his hands and feet might just mean that it is cold in the room, and not indicate trying to distance oneself.

Anxiety is a common phenomenon when communicating in the workplace or public speaking. D.G. Myers in his work "Social Psychology" refers to a research made by social psychologists K. Savitsky and T. Gilovich, according to which people believe that their self-consciousness, anxiety, nervousness, disgust and other feelings are clearly visible to the audience. However, experiments have disproven that, showing that other people are noticing much less than one supposes. This is called "an illusion of transparency". Therefore, when communicating and speaking publicly, one should relax and do one's

best because one's anxiety will be most probably apparent only to the person who is anxious (19, pp. 34-35).

A manager should also be aware of differences in communication styles among men and women across the cultures. In every society, men are socially dominant, more adventurous, forceful, independent and strong, but women are more affectionate, emotional and submissive. Despite the fact that gender differences are diminishing, people still perceive leaders as having more masculine characteristics. Men are often more autocratic and task-oriented leaders and women more democratic, transformational and inspirational. Men's communication style is often more assertive, interruptive and intrusive while women tend to be more sensitive and polite (19, pp. 166-167).

Keeping in mind all the differences between cultures, personalities and genders, executives have to find out ways to reduce levels of aggression, which might appear when conflicting situations occur:

- Reward cooperative non-aggressive behaviour,
- Do not put unreachable expectations on workers,
- Prevent aggression before it happens by teaching conflict-resolution strategies,
- Teach problem-solving skills,
- Frame statements positively: *"If you are the first to finish the report ahead of schedule, you will be rewarded by three tickets to a hot spring"*, instead



of "If you miss the deadline, you will be punished by deducting ten per cent of this month's salary" (19, pp. 388-389).

### 3.5 Dealing with stress in China

Stress as a mechanism of survival have always accompanied human beings throughout their history. A certain amount of stress is useful because it makes people more productive. However, too much stress may negatively affect human brain, slowing it down, increasing the risk of addiction, causing psychosomatic illnesses, leading to burnout and making workers disengaged from work. It can also negatively affect memory and self-control (20, p. 97). The following sub-chapter will suggest several ways of dealing with stress for Japanese executives working in China. Here, the ideas from works on psychology will be complemented with the researcher's insights, commentaries and experience.

- **Work smart, not long** (20, p.29). Instead of spending evenings and weekends in the office, match the right person with the right job to save time and energy.
- **Take breaks during the day** (20, p.29). Instead of smoking or having coffee, try doing something healthy or different, like walking for 10 minutes in the company's front garden or learning a couple of words from another language.

- **Draw a line between work and home** (20, p.29). Set exact time on the schedule for communicating with customers, subordinates and friends. While being approachable is a merit, if it is 24 hours a day, it will lead to burnout, poor concentration and missed deadlines.
- **Do not cut out friendships, sports and leisure activities** (20, p.29). Those are often considered not urgent and not important, but the researcher believes, relationships outside work and hobbies are essential, because they make people happier in general, which leads to increased motivation and kindness when dealing with others.
- **Learn something.** If it appears hard to commit to something very serious, like a PhD, one could learn Chinese, which will help build better relationships with Chinese staff, or doing a short certificate course in Economics, Leadership, Marketing, Business English, Finance Management or any other subject in the field on an online platform like [www.coursera.org](http://www.coursera.org). Apart from gaining knowledge, and making the resume look better, those courses will give executives a psychological boost and a sense of achievement. Besides, focusing on the learning process will help avoid rumination and obsessive thoughts and behaviours.
- **Do not try to be perfect** (20, p.40). It is logistically impossible to succeed at all tasks, so executives in China are advised to delegate tasks they feel they are not good at to employees with the right personality traits and skills sets. Besides, one could make an arrangement with oneself to give 100

percent of their energy to the most important and urgent tasks, but others might require only 80 or even 60 percent of effort.

- **Look at mistakes as test shots, not failures** (20, p. 45). This is a very hard task, because both in Japan and China failure is associated with guilt and shame. That is why employees need to be educated that mistakes are just part of the process. They have to be encouraged to report problems and solve them together, instead of hiding them for fear of "losing face" as it often happens in China.
- **Strive for accomplishments** (achieving your own goals, like doing an MBA or learning a foreign language), **not only achievements** (reaching goals set for you by others, like increasing sales by 10 percent by the end of the year) (20, p.45)
- **Use simple mood boosters.** For example, every week write three things to be grateful for or write a nice message to someone you care about or exercise for ten minutes (20, p.53).
- **Do not compare yourself to others** (20, p.52). This might appear to be hard, because both China and Japan are highly competitive and hierarchical, and since primary school somebody is always "higher" and "lower" than you. In this respect, Level 2 business culture will make employees feel better about themselves if executives organize work in a

way that authority shifts from one worker to another while working on different projects.

- **Help others deal with stress and motivate them** (20, p. 59)
- **Don't disqualify the positive** (20, p. 83). Very often in collectivist cultures workers tend to blame themselves for failure. That is why employees need to be taught to find the positive in every activity they are engaged in. An executive could ask them to write their achievements on pieces of paper and hang those above their desks.
- **Love your body and understand that modern beauty standards are unrealistic** (20, p. 89). In view of the spotlight effect, described by D.G. Myers in his work "Social Psychology", people tend to overestimate the extent to which other people actually are paying attention to each other's appearance (19, p. 34). Restricting foods during dieting leads to craving for it and an increase in stress levels (15, pp. 223-224). Any sort of body-shaming should be discouraged and people's uniqueness and achievements have to be celebrated within the company.
- **Do not worry about the distant future and cross those bridges when you get to them.** Writing weekly plans and daily to-do lists followed by crossing out finished tasks should help reduce levels of anxiety.

- **Try to avoid toxic people, but given no choice, remain civil** (20, p. 156). A good idea would be to make it a challenge, a test to the employee's patience.
- **Do not worry if people reject you if you say no** (20, p. 156). It is logistically impossible to do all the tasks on time and help everyone in need. That is why one needs to set priorities, focus, perform and be firm and calm when dealing with needy or unpleasant people.
- **Take a 24-hour break from social media** like TV news, talk radio, magazines and websites that profit from your fear (15, p. 143).
- **Do not criticize yourself.** It leads to a drop in motivation and self-control (15, p. 148). Instead, focus on your goal or talk to an encouraging friend, colleague, professor or doctor.
- **When having an obsessive thought or fear of failure or disaster, do not suppress it.** The thought will come back even with a higher intensity and with a great chance of causing depression. The best advice is ironically to give up, and the thought will lose its control. Anxiety sufferers should observe and accept disturbing thoughts and feelings. Feel what you feel, but do not believe everything you think, otherwise it will lead to destructive behaviour (15, pp. 215-221).

According to American Psychological Association, the healthiest stress relief strategies include:

- Playing sports or doing exercise
- Attending a religious service
- Reading
- Listening to music
- Getting a massage
- Engaging in a creative activity or hobby
- Spending time with family or friends
- Going for a walk
- Doing yoga or meditation

They are effective because they release oxytocin and serotonin, the feel-good hormones (15, p. 137). However, the unproductive ways of dealing with stress are those that release dopamine and promise a reward but in actuality do not always bring happiness, and are often irresponsible, unhealthy or dangerous.

They are as follows:

- Gambling
- Shopping
- Smoking
- Drinking alcohol
- Overeating

- Playing video games
- Surfing the Internet
- Watching TV or movies for more than two hours (15, p. 137).

A lot of stress is caused by negative obsessive thoughts. In this case Cognitive Behavioral Therapy can be of great help because it explains cognitive distortions that undermine people's train of thought and well-being. They are as follows:

- **Personalization** (always blaming oneself)
- **Mental filter** (focusing on the negative)
- **Maximizing and minimizing** (black-and-white thinking)
- **Disqualifying the positive**
- **Jumping to conclusions** without evidence
- **Overgeneralization** (thinking that if something bad happened once, it will always happen)
- **Emotional reasoning** (replacing facts with feelings)
- **Labelling** (thinking that one mistake sums a person up) (20, p. 83)

If negative thoughts persist, one should remind himself that one should not always believe what one thinks, look for evidence before making conclusions

and look for more productive things to focus on, for example by writing three good things that have happened to him every day on a piece of paper.

Another way of dealing with negative thoughts might be to gain emotional, instrumental or information support. Besides, it might be useful to be involved in gaining knowledge, understanding and skills (20, p. 123). This kind of psychological sublimation helps engage in more productive thinking and also gain competence, which in turn, will increase one's self-confidence.

### **3.6 Suggestions on time-management**

When people plan well, they also perform well, but often resist planning unless somebody encourages them, or when problems arise (20, p. 134). When working in teams, each member should have his own plan and make it known to the other team members. A good plan should be future-oriented and well-communicated to everyone involved. Team members should know their merits, demerits, roles and specific goals (20, p. 135). Realistic deadlines should be set, but if an employee consistently falls behind schedule, he can be educated to set himself a false deadline slightly ahead of the real one (20, p. 129).

According to R. Koch, people only make good use of only about 20% of their time. Apparently, there is no shortage of time, but most of what managers and workers do is of low value, so one should do what they are good at and delegate the rest (11, p. 151).



Besides, there seems to be no direct link between effort and reward. It is not the hard work per se, but insight and doing what one likes that leads to high returns (11, p. 153). Consequently, one should stop feeling guilty and free oneself from obligations imposed by others (11, p. 155).

Below are the high and low value uses of time proposed by R. Koch in his work "The 80/20 Principle".

High value uses of time:

- Things one wants to do;
- Things that advance one's purpose in life;
- Innovative ways of doing things (saving time, energy, resources);
- Things for which it is now or never;
- Things that can be delegated (11, pp. 164-165).

Low value uses of time:

- Tasks imposed by others;
- Things a person is average or bad at or dislikes doing;
- Tasks that are interrupted;
- Answering the phone and messages on social media;
- Tasks where one's allies are unreliable (11, pp. 164-165).

### **3.7 Leadership in times of crisis**

In times of crisis, it is important to secure a reliable understanding the facts, causes and conditions of the situation (5, p. 248). For example, in Toyota, if there is a problem or a faulty product, managers and employees ask "*Why?*" 5 consecutive times in order to discover the root of the problem instead of finding band-aid solutions (9).

Another essential thing for the manager is to prepare himself for possible interruptions (5, p. 252). To do that, interruptions such as answering phones, e-mails and messages have to be scheduled. For example, the employees need to know that they can send the reports on a certain day at a certain time and receive feedback within a certain number of hours.

Besides, a manager needs to be able to be flexible and ready to adapt to change (5, p. 253). Another useful idea would be to be visible and cultivate public support among those affected by the crisis (5, p. 255). That is why in Japanese companies managers seldom have their own offices. They spend most, if not all of their time, in "Gemba" (the workshop, the assembly hall, the place where things happen (9). If managers do not separate themselves from workers by the walls of a fashionable office, but wear a uniform and are by the employees' side, solve problems as they appear instead of hiding them fearing "the loss of face", most crises can be prevented.

The next vital thing is to document proceedings each step of the way in order to leave a record behind for a possible crisis in the future (5, pp. 262-265).

Furthermore, it is essential to manage stress in times of crisis. Ways of dealing with stress have been mentioned in sub-chapter 3.5 of the dissertation.

Finally, when the problem is resolved, not only the stars and talents, but also the whole teams working on the problem should be rewarded (21).

### **3.8 Team leadership**

According to G. Yukl, group performance is defined by the member commitment to goals and strategies, role description clarity, team coordination, mutual trust and support, availability of resources, collective learning and member diversity (28, p. 249).

Leading a group requires various types of leadership, but most importantly, rapport must be built between the members first. For that purpose, it is suggested that the leader finds out about the members' personalities with the help of questionnaires provided in this dissertation (the Four Personalities in T. Erikson's typology and High Sensitivity test by E.N. Aron). If the members are not motivated, they will need a lot of inspiration and coaching (28, p. 254).

The problems with teamwork that Japanese executives typically encounter in China is the unwillingness of Chinese employees to work in cross-functional teams. Managers have to go to great lengths to explain the benefits of working with different departments to Chinese workers. They have to educate them on

the advantages of working cross-functionally, such as flexibility, early fault detection, better coordination of business processes, looking at the problem from different points of view, learning new skills (28, p. 255). It might also require the cooperation of several managers, a lot of creativity and commitment (28, p. 257). The researcher suggests against working in self-managed teams in China, as at this point of time the workers might concentrate on their descriptions, lack direction and avoid responsibility.

Below are the general recommendations for leading teams in China:

- Focus on common goals
- Develop group identification, like slogans, charters and uniforms
- Facilitate networking
- Discuss the importance of the process, not only result with the team members
- Provide timely feedback (28, p. 263).

### **3.9 Managing yourself**

In this sub-chapter there are suggestions to Japanese executives working in China on how to manage their own schedules, workplaces, deal with procrastination and anger, gain willpower and self-control, improve memory, manage self-presentation and enhance general well-being in order to become more productive in their daily working lives.

According to R. Koch, people's lives can be improved by 80/20 principle, which states that 80% of results come from 20% of effort, or 80% of outputs result from 20% of inputs (11, p. 4). Therefore, in order to be more effective in daily work, a manager has to be selective, not exhaustive, delegate, outsource, calm down, work less and target a limited number of valuable goals (11, p. 39).

In terms of sales teams management, 20% of sales personnel generate 80% of sales, so managers should hang on to the high performers, identify when salespeople sell the most, only train those who are planning to stay long-term, invest more training in those who perform best and spend most time with the minority high-volume customers (11, pp. 111-112).

As far as goal achievement is concerned, 80% of achievements take place in 20% of time. Apparently, people's lives are affected by very few events and important decisions. Everyone can achieve significant things, but the most important thing is not the amount of work and effort, but finding the right thing to achieve, sacrificing less important goals and focusing on the main one. Most effort should be put into important things instead of putting average effort into everything (11, p. 144).

Organizing one's workplace is essential because it will help managers and employees save time and not get distracted by unnecessary objects lying around on their desks. In this respect, Japanese "Kaizen" (continuous improvement) strategy will be of great help. One of the elements of Kaizen strategy is 5S (Housekeeping). It involves several steps:

- **Sort** (removal of objects unnecessary in the next 30 days);
  - **Straighten** (arranging the tools in transparent plastic containers and papers in color-coded folders);
  - **Scrub** (thorough cleaning of the workplace);
  - **Systematize** (remove clutter and maintain order);
  - **Standardize** (monitoring and encouragement of order in the workplace)
- (9).

Another feature of Kaizen strategy is called Daily Kaizen, which involves doing an important or unpleasant task for a very short time (1-5) minutes during the day (9).

One more thing concerning Japanese managers in China is procrastination. First of all, around 22% of procrastination is genetic. It also happens when the task is unpleasant, when people are perfectionists and fear failure, and also due to anxiety and depression. To deal with procrastination, one can ask somebody to set them a deadline, limit and schedule distractions, find a role model to follow, find the right motivation or trick yourself into doing the task in the form of a game (20, pp. 156-158).

Dealing with anger in the workplace is one of the most important issues facing executives today. Anger is a primary emotion and appears when people feel danger at the time when someone is threatening their territory. Expressions of anger vary across the countries, and an American will typically find it hard to

understand when a Japanese is angry (22, p. 122). Interestingly, it is not suppressed anger that leads to cancer, but anxiety and depression (22, p. 123). However, people prone to anger outbursts are five times more likely to have a heart disease than those who do not. Expressing hostility raises blood pressure, but friendliness lowers it (22, p. 124). Consequently, venting anger is very unhealthy. Besides, judgements made in an angry state are unreliable. (22, p. 125). To control anger, executives should try to reframe their thinking and doing the following:

- Maybe that person causing my anger is having a bad day;
- There is no need to take things personally;
- They are waiting for me to explode. I am going to disappoint them;
- Use humour;
- Take a deep breath;
- Describe feelings to the person that causes anger, specify what is expected of this person and say what consequences will follow if they will not listen;
- Do not bluff, swear or threaten (22, pp. 132-133).

According to K. McGonigal, health psychologist at Stanford School of Medicine, the ability to control one's attention and emotions greatly influences physical health, financial security and success at work, and lack of willpower is

the number one reason people fail to achieve their goals (15, p. 1). Self-control is a better predictor of effective leadership than charisma (15, p. 12). However, executives should learn scientifically proven strategies for self-control in order to prevent stress and burnout at work. Apparently, the best way to gain self-control is to know how and why a person *loses* control (15, p. 4). Most of the time people make unwise choices when they are distracted (15, p. 21). Distractions are so powerful because in many cases they are pleasant (a funny cat video on social media, a cup of latte with cheesecake, the third glass of Aperoli, a misguided late-night online purchase or a sinful cigarette) and relieve stress, which is why they are so hard to resist. That is why executives are suggested to plan their day and either avoid distractions or set a limited time for dealing with them and put that time on the list of things to do as well. Succeeding at willpower challenges is finding a way to take advantage of, not fight those primitive instincts (15, p. 19). Human brain is responsive to experience and the more it practices a mental skill, the better it becomes at it, so willpower as a mental skill can be learned and improved (15, p. 23). According to recent research, an impulsive craving state (getting angry with a co-worker, wishing for a cigarette) is a result of physiology, rather than psychology, and people can shift their physiology to overcome the instinct for a dangerous craving (15, p. 31). What a person could do is pause and plan his response, because it redirects the energy from the body wishing to relieve stress to the brain (15, p. 37). Ways of helping oneself to calm down include



taking deep breaths (4 to 6 per minute for 5 minutes) or cooling down the body (going to an air-conditioned office or taking a cold shower)(15, p. 40). Regular daily calming down practice (four to five times a day) even without any stress trains the body to calm down faster when affected by stress, anger or cravings such as tobacco, alcohol or unhealthy sugary snacks. Another strategy a person can experiment with when they have a craving like throwing a tantrum, having a cigarette or wanting to get out of the swimming pool is to wait for ten minutes instead of giving oneself pressure by saying "never again". Most of the time the impulse disappears during that time (15, p. 161).

Apart from taking deep breaths, regular exercise reduces cravings and anger, and is also a powerful antidepressant (15, pp. 42-43). Besides, the exercise does not need to be exhaustive, and even a 10-minute walk around the office block after lunch, having a short mini-golf match with co-workers instead of a cigarette break or some gardening in the evening is very likely to relieve stress. If one feels too tired or busy for exercise, they could start viewing it as a way of gaining energy, not draining it (15, p. 45).

Brain identifies stress as threat, and in this case mind and body are thrown into states of alert and impulsive action (15, p. 49). Stress is the enemy of willpower (15, p. 51). Moreover, willpower and stress levels vary during the day, so one should notice when their willpower level is usually at its highest and schedule important, rather than urgent tasks for that time. As for ways of

dealing with stress, they have been covered in sub-chapter 3.5 of this dissertation.

To practice willpower and self-control, it is suggested that people try little easy acts of self-control every day, such as improving their posture, learning one word in foreign language per day or keeping track of the money they spend. In this way, little by little, the general levels of willpower will increase, and when it comes to harder tasks, like a monthly sales report, a conversation with an under-performing subordinate or the annual budget, it will be much easier to accomplish those tasks, with improved attention, memory, concentration and much less procrastination. This is just like training a willpower muscle which gets stronger with a certain amount of regular exercise (15, pp. 66-67).

On the subject of the willpower diet, while it is true that in the short run sweet food increases energy levels and willpower, in the long run it will diminish self-control and might lead to type 2 diabetes. So, a real willpower diet should consist of food that gives long-lasting energy but low in sugar, such as nuts, grains, beans, grains, fruit, vegetables and lean meat (15, p. 65).

K.McGonigal describes an interesting willpower-boosting experiment in her work "The Willpower Instinct". Wiser choices are likely to be made and immediate gratification delayed when people pretend they have met or talked to their future selves. When the brain pictures the future, it thinks more concretely about the consequences of the present choices (15, p. 179). One could also try writing a message to their future self, stating what they are going

to do at present in order to meet their long-term goals. Visualising oneself in the future, the appearance, the career path, the social circle, the benefits reaped from present hard work will enhance self-control at present and increase chances of future success (15, p. 180). Another thing that will help increase willpower is socializing with people striving for the same goals and for more self-control.

In order to become more productive, an executive also needs to make the most of his brain. Here neuroscience can be of great help. In the work "How Your Brain Works" there are some useful suggestions on how to make brainwork more effective. In order to improve attention, one must either cut down on distractions like e-mail notifications or give one's brain more to do. For example, to make a reading task attract one's attention, one can use brightly-colored pens to highlight the main points (23, p. 191). Meditation helps the brain become thicker, which improves attention, according to research on the relationships between meditation and attention.

To make better and faster decisions and think outside the box, executives must improve their working memory, because it is a better predictor of success than IQ (23, p. 192). There are more ways to improve one's memory, such as chunking (remembering information in meaningful chunks rather than randomly), spacing (trying to remember things at intervals rather than in one go), interleaving (using different channels, like auditory or visual, to process information, testing, maintenance rehearsal (reviewing) and active learning.

Interestingly, there seems to be no connection between age and slowdown in learning. Apparently, when people say they cannot remember something, like a word in a foreign language, it is not because they have reached a certain age, but simply because they do not study every day as children and adolescents do (23, p. 194). Once they form a habit of learning new things, remembering will become as easy for them as it is for younger people.

Another suggestion to become better at learning new things is to avoid shortcuts and stay active. 40 minutes of exercise three times a week lead to an increase in the size of hippocampus, part of the brain essential for memory and learning. the good news is, the brain will never run out of storage space (23, p. 195). In order to improve one's creativity, one should be in a happy and relaxed mood before approaching a task (23, p. 196).

It is also advised not to do tasks that require high concentration right after waking up. The so-called "morning grogginess" or "sleep inertia" will prevent the brain from working effectively. Apparently, the worst times for mental tasks are between midnight and 6 a.m. and between 2 p.m. and 4 p.m. (23, p. 198). The best time to work is 6 a.m. to 10 a.m. and 4 p.m. to 10 p.m. As for doing sports, the best time is around 8 p.m. when hand-eye coordination is at its peak (23, p. 199).

To make one's brain more efficient, one has to eat breakfast high in carbohydrates and vitamins. Eggs are good for memory, yoghurt for the

production of neurotransmitters dopamine and noradrenaline, and high intake of berries is connected with improved cognition.

Regular sleep, ideally 7 hours, is essential for brain effectiveness, because lack of sleep causes difficulties in remembering information, problem-solving and planning (23, p. 204). However, the researcher suggests against using any stimulants or narcolepsy medication that claim to help stay awake for a long time without any side effects. The long-term effects of taking cognitive enhancing drugs without prior consultation with a physician can have a devastating effect on health and taking them is highly irresponsible.

Another important thing in managing oneself is managing one's self-presentation. Apparently, sometimes people create impediments for themselves on purpose and imagine problems in order to feel better about themselves should they fail in the future. This phenomenon is called "self-handicapping" in D.G. Myer's "Social Psychology" (19, p. 71). Examples of self-handicapping could be not rehearsing before an important presentation or procrastinating before a deadline. In cultures like Japan and China where good performance is linked with positive self-image, self-handicapping offers an excuse for failure: "*I was feeling sick, so I did not rehearse long enough*". If Level 2 business culture is created within a company, and mistakes are tolerated and corrected, not mocked, then the workers will be less likely to engage in self-handicapping thoughts and behaviours.

To manage oneself better, a manager must become a happier person in general. After all, according to Aristotle, the goal of all human activity is happiness. To become a happier person, one should identify their happiest times and expand them. Another thing one could do is changing the way one thinks about events and people. Besides, it is possible to become happier by changing the people one sees most. Moreover, random acts of kindness to help somebody also make people happy. Finally, one should set attainable goals, have a few good friendships and evolve one's ideal lifestyle (11, pp. 221-235).

## **CONCLUSION**

In conclusion, it must be said that leadership in China greatly differs from leadership in Japan. Therefore, a Japanese executive in China should strive to find common ground with his Chinese co-workers by learning about Chinese business culture and educating Chinese counterparts in more effective processes present in Japanese business culture, such as linear scheduling, Kaizen, the Ringi system and suggestion system. Some processes, such as critique meetings and stand-up meetings can be adopted from Western business culture in order to facilitate early fault discovery and saving time lost in regular meetings. Japanese leaders need to be willing to learn not only about differences in business culture, but also personal differences using personality testing systems, such as T.Erikson's typology of Red, Blue, Yellow

and Green personalities or similar testing systems, such as Myers-Briggs 16 personalities test, which can easily be accessed and done online.

It is also advisable to engage in team-building activities that bring the two cultures together, such as visiting places of interest, factories or companies in Japan or China together, followed by experience and idea sharing. It is also advisable to arrange free Japanese, Chinese and English classes within the company, because it is easier to understand a culture through the language.

Through the process of writing the dissertation, the researcher has discovered that being a better leader includes not only improving the management and production processes, but, most importantly, learning about the business cultures, history, cognitive psychology and social psychology.

Finally, there is no one-and-for-all solution for all the leadership problems of Japanese executives working in China. Each company differs from one another because people working there have different personalities and experiences, so the leader's job is to match the right people with the right jobs through discovering their personalities and insights and thus finding out what does not work and replacing it with what does.

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