A Heuristic Model to Aid the Western Business People Working in Culturally Different Societies to Adjust to the Environment

Mehryar Nooriafshar
University of Southern Queensland, Queensland, Australia
mehryar@usq.edu.au

Conor Vibert
Acadia University, Nova Scotia, Canada
conor.vibert@acadiau.ca

Abstract

This paper is based on an ongoing research project that investigates the factors that contribute to successful assimilation by Western professionals in different countries. The investigation has used data collected from different case studies related to Japan and Hong Kong. Each case study deals with issues and challenges facing Western expatriates residing in these countries for the purposes of business

As part of this work, the researchers have developed, presented and tested a heuristic model for quantifying and predicting a Challenge Index for Western expatriates in Japan and Hong Kong. The index can be used to determine the level of difficulty for living and working in these countries; or comparing a given situation with others.

The findings indicate that an attempt to familiarize oneself with the basics of the local language (eg Japanese) and recognize and accept certain attitude differences would certainly contribute to a successful adaption.

Key words: Business, Heuristic, Model, Expatriate

Introduction

   The main objective of this paper is to identify and present effective means of adopting suitable approaches and adjusting attitudes for the purpose of work in Japan and Hong Kong. The investigation is based on different case studies chosen from a large database of interviews in various countries and settings. The selected interviews for the analysis were the most appropriate cases related to Japan and Hong Kong. These cases are detailed and structured interviews with professionals, from a number of different countries, who reside and work in Japan or Hong Kong. These professionals have had experience in various fields and are presidents, directors, consultants, teachers or business owners. Hence, their experiential knowledge about the challenges and how to effectively overcome the issues are quite valuable. The interviews are extracted from the Acadia Multi-Media Case Management System (AMCMS). The entire system comprises 340 case interviews related to various fields in several countries.

The interviews have been analysed carefully and commonalities, in terms of challenges, have been identified to form the basis for building a heuristic model. The heuristic model can aid in predicting the Challenge Index for a prospective Westerner wishing to work and reside in Japan or Hong Kong. This model can also be used for the purposes of monitoring one's difficulty levels in a manner which allows performing what-if analysis or comparison with other similar scenarios.

A number of research articles that inform this study are reviewed including an introduction to heuristic models and the methodology used to collect and analyse the data sample are outlined.   A series of predictions are then presented based on insight from articles and the video interviews. The following sections of this paper demonstrate how the research was conducted, the data was collected and the model built.

Some Examples of Relevant and Notable Literature

Differences between national cultures is a topic of interest to many. Popular among researchers are models that seek to explain and describe these differences. Two frameworks in particular inform this study. One of these was created by Dutch researcher Geert Hofstede and published in numerous studies over time (Hofstede, 1980, Hofstede, 1993). He classified countries based on the survey data collected in early 1970s' from over 100,000 IBM employees located in 72 countries. Initially 40 countries were classified. Further analysis of the data allowed three regions and ten other countries to be classified according to four dimensions of culture that he labeled uncertainty avoidance, masculinity, power distance and individualism. Research conducted a few years later uncovered a fifth dimension that was termed long term orientation.

This last dimension refers the acceptance by a culture of a long term and traditional view of time. Tolerance for ambiguity refers to the uncertainty avoidance dimension. The extent to which stereotypical male and female characteristics are found in a culture was capture by the masculinity dimension. The degree to which inequality is accepted in a society was termed power distance. Finally, whether the interests of the individual or the group take precedence is referred to as individualism.

Originating with the ideas of sociologist, Talcott Parsons, a fellow Dutchman Franz Trompenaars (1994) used survey data from 28 countries to categorize national cultures according to five bipolar dimensions. He used questions that posed different dilemmas of everyday life. Achievement as opposed to ascription refers to whether status is given or whether we need to prove ourselves. Specific as opposed to diffuse refers to whether we handle ourselves in predetermined ways or whether our relationships are contextual and changing. Neutral versus emotional refers to whether individuals display or hide emotions. Universalism as the opposite of particularism is concerned with whether rules or relationships take precedence. Finally, similar to Hofstede's model, individualism versus collectivism explores whether the needs of the individual or the group is dominant in a society. These two models or frameworks of national culture differences are well known and have been popularised in many management textbooks. They also prove useful for explaining some of the experiences of the Canadian expatriates in Japan and Hong Kong.

We use heuristic modeling in this paper to explore in greater detail the application of cross cultural differences for international business. It should be emphasised that heuristic models are not expected to be as rigorous as algorithmic decision making tools. Although heuristic approaches usually generate close enough rather than exact or optimum solutions, they can yield rather realistic and practical results. They approach finding the solutions in a way that is more compatible with how the human brain works by considering the experiential knowledge instead on focusing solely on quantitative formulations. It has been suggested that the term heuristic stems from *eureka* as an exclamation in triumph. In other words, when an answer is found, one may utter *eureka* to show satisfaction with the discovery.

Defined, 'heuristics are strategies that ignore information to make decisions faster, more frugally, and/or more accurately than more complex methods. " (Gigerezer and Gaissmeier, 2011: 453). Why are heuristics useful? One pair of researchers offers the following thoughts.

"Heuristics can be more accurate than more complex strategies even though they process less information (less-is-more effects). ….A heuristic is not good or bad, rational or irrational; its accuracy depends on the structure of the environment (ecological rationality). ..Heuristics are embodied and situated in the sense that they exploit core capacities of the brain and their success depends on the structure of the environment. They provide an alternative to stable traits, attitudes, preferences, and other internal explanations of behavior. With sufficient experience, people learn to select proper heuristics…Decision making in organizations typically involves heuristics because the conditions for rational models rarely hold in an uncertain world. "(Gigerenzer & Gaissmaier, 2011: 474).

Data Collection Methodology

The research sites of this study were Japan and Hong Kong. Opportunistic search was used to identify interview candidates who were residing and working in Japan and Hong Kong. These business people were engaged in both manufacturing and service industries. Prospective interviewees were contacted two months prior to the interview by e-mail to obtain their consent, arrange an interview date and location and pass on the survey instruction. Interviews lasted approximately 40 minutes. Typically 20 minutes were needed to set up equipment and 20 minutes were needed to take down the film set and depart. Interviewees were filmed from the chest up. The interviewer is not seen or heard in the interview. The video interviews are hosted on the Acadia Multimedia Case Management System (AMCMS) which is a web-based, password protected, scalable platform designed for higher education business students and the corporate training market.

The video interviews form part of the Acadia International Executive Insight Series (AIEIS) collection. At the time of undertaking this research project, it hosted over 340 interviews and almost 7000 video clips.

Cultural Differences

This section provides two examples of selected interviews and discussions on key cultural differences.

Although Japan is regarded as one of the main democracies of the world, one must remember that it is a society in which people are ranked according to their social status or position at work. Hence, a totally different kind of relationships between people should be expected. As pointed out by Hofsted (1980), the fact that not all individuals in societies are equal expresses the attitude of the culture towards these inequalities amongst us. Hofsted (1993) also suggests that Japan is a hierarchical society. The hierarchical feature of the Japanese society does not imply inequity. Japan is a free country with its strong beliefs in their traditions and religions of mainly Buddhism and Shintoism. With regard to their traditional beliefs, one may refer to the Bushido concept which contains egalitarian principles that have allowed wealth to trickle down to the vast majority in Japanese society (Fujimura, 2011). The traditional religions have also had similar effects on the Japanese attitude in terms of equity and equality of human beings in their society. According to Taka et al (1994), "In the case of Buddhism, every living creature is said to have an equal Buddha- hood, a Buddhahood which is very similar with the idea of numen and micro-cosm."

One must accept the fact that unlike Australia and Canada, Japan is not regarded as a universalist, rule based society but it is classed as a particularist society. For further reading refer to Trompenaars (1994).

It should be noted that often language and culture are interrelated as one influences the other. Culture's roots are deeply established in the years of tradition and history.

Insight from the interviews suggested that a lack of knowledge of the Japanese language can create a solitary situation for the Westerner who is trying to become part of the society.

While the culture of Hong Kong differs from the West one should remember that to a large extent, these differences do not pose a problem. Hong Kong can be labeled as multi-cultural rather than a uni-cultural society. According to Chan Kwok (2011), Hong Kong is an ideal place to witness how different forms of cultural hybridity are produced, promoted and consumed. Hence, Western attitudes are not foreign to the people of Hong Kong. A reasonably balanced combination of Eastern and Western cultures exist in Hong Kong. As noted by Yiu-wai Chu (2011), the "blend of East and West'' cliché was something that has been welcomed by the Hong authorities.

A Heuristic Approach to Model the Business Attitudes

This paper, demonstrates how a heuristic model can aid the western business people with the local Business attitudes.

The data analysis and evaluation of the selected cases led to the identification of a set of issues, themes and topics which in turn were grouped into a set of common challenges. For instance, in the case of Japan, the groups covered challenges such as learning basic conversational Japanese, attitudes of the Japanese people both at work and in social situations, commonly practised ways of handling long hours spent at work and on public transportation, and differences in dealing with formal situation. These challenges were then titled as Language, Culture, Transportation, Work Ethics and Red Tape. The cases were observed carefully again and the issues raised were recorded under each category.

For the purposes of the Japanese case, the possible problems or challenges have been classified under five main categories. The rationale for this grouping is based on the frequency of issue topics mentioned in the interviews. The following is the main topics raised and discussed by the interviewees:

1). Language
2). Culture
3). Work Ethics
4). Transportation
5). Red Tape

It should be noted that the emphasis placed on each category and the frequency of its occurrence in the interviews was noted during the observation. As a result, the categories for the issues were ranked according to their importance. Language has the highest weighting and the Red Tape issue ranks number five.

These factors can be regarded as independent variables of our heuristic model and the Challenge Index will depend on these variables:

CI = Function of { L, C, WE, T, RT }

Where: L = Language; C = Culture; WE = Work Ethics; T = Transportation; RT = Red Tape

In which, the independent variables in the model are assumed to have an additive effect on each other.

It should be noted that this model, as suggested above, provides a figure as a guide which can be used for comparison purposes with other expatriates. It can also provide an opportunity for performing what-if analyses. Hence, the user of the model can relax a factor, increase or decrease its percentage and then determine some guiding figures. If the person in question, for instance, decides that they have made some progress with the language and their difficulty for it deserves a lower percentage then they may choose a smaller percentage than fifty.

Conclusions

This paper has demonstrated how a heuristic model, based on facts and theory, can help a Western Business person living and working in country with a different national culture. The model has the potential to be used for comparative or what-if analysis by someone who wishes to monitor and adjust the challenges and difficulties facing them in a different situation. For instance, an expatriate working in Japan would be able to compare his or her own difficulty for different conditions; or compare the calculated index with other fellow expatriates. Hence, they would be in a more informed position with regard to making the necessary adjustments.

This study was exploratory in nature and has a number of shortcomings. It makes use of small samples of interviews in each country and the majority of interviewees were male. The creation of a heuristic model of decision making was not the original intent of video database designer. It should be emphasized that the model is not intended to be an exact or optimisation based model but instead, a guide in the form of a heuristic model.

Future research projects related to the enhancement of this model are envisaged. These would include a larger sample size, a longitudinal exploration of insight from each country whereby representatives are interviewed a second time, and an interview dataset sample that is more balanced in regards to gender. It is envisaged that the model will be extended and applied to other culturally non-western countries too. It is recommended that further testing be carried out with additional data to improve the heuristic model. Hence, further research projects are planned.

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