Nina Koivuniemi

COMPARISON OF BUSINESS CULTURE DIFFERENCES IN COMMUNICATION BETWEEN FINLAND AND JAPAN
Case studies: Metso Paper Oy and Tikkurila Oyj

Degree Programme in International Business

2012

BUSINESSKULTTUURIEROJEN VERTAILU KOMMUNIKAATIOSSA
SUOMEN JA JAPANIN VÄLILLÄ, CASE-TUTKIMUKSET: METSO PAPER OY
& TIKKURILA OYJ

_____

Opinnäytetyön aiheena oli businesskulttuurien vertailu kommunikaatiossa Suomen ja Japanin välillä. Sen tarkoituksena oli toimia tietoa antavana ja vertailevana tutkimuksena liikemaailman kulttuurieroista Suomen ja Japanin välillä keskittyen molempien kulttuurien kommunikaatiomenetelmiin ja –piirteisiin luoden lopulta vastauksia kommunikaatio-ongelmiin ja niiden kehittämiseen. Opinnäytetyö on tarkoitettu lähinnä suomalaisille yrityksille ja/tai yksityisille henkilöille, joilla on suunnitteilla projekteja tms. japanilaisten kanssa. Se auttaa ymmärtämään japanilaista kulttuuria ja kommunikaatiota, mutta myös omia suomalaisia ominaisuuksiamme paremmin.

Monilla suomalaisilla yrityksillä on nykyään kasvavassa määrin japanilaisia asiakkaita tai yhteistyökumppaneita. Paperiteollisuuden saralla toimiva Metso Paper Oy on yksi näistä kuin myös maalitehdas Tikkurila Oyj. Tavoitteenani oli haastatella näiden yritysten edustajia kuten myös heidän japanilaisia kollegoitaan/asiakkaitaan saadakseni selville heidän mietteitään kyseisten kulttuurien välisestä kommunikaatiosta. Erityisenä tavoitteenani oli ratkaisujen löytäminen entistä tehokkaampaan kommunikaatioon ja yhteistyön säilyttämiseen.

Kulttuurit ovat hyvin kaukana toisistaan omaten täysin erilaiset businesskulttuuriarvot. Silti kiinnostavana asianseikkana työssäni on niinkin erilaisten kulttuurien samankaltaisuus mitä tulee kommunikaatioon. Pyrin erottelemaan Suomen ja Japanin businesskulttuurien erilaisuudet sekä poimimaan niiden samankaltaisuudet. Täten oli helpompi työstää haastattelujen avulla keinoja parempaan kanssakäymiseen.

Lopputuloksena oli pitkälti hyvin paljon teoriaa tukeva tutkielma, jossa kulttuurit eroavat toisistaan suuresti, mutta kommunikaatio japanilaisten kanssa sujuu suomalaisilta paljon luontevammin kuin muilta länsimaalaisilta. Nöyryys, ujous ja esimerkiksi sisu ovat piirteitä jotka me suomalaiset ja japanilaiset jaamme toistemme kanssa. Tapamme tehdä bisnestä eroavat toisistaan paljonkin; japanilaiset ovat konservatiivisempia hierarkioineen kun taas suomalaiset korostavat tasa-arvoa ja käyttäytyvät rennommin töissä. Emme myöskään puhu yhteistä kieltä, mikä vaikeuttaa kanssakäymistä, mutta samankaltaisuutemme kommunikaatiossa korvaavat tietyllä tapaa puutteet ja osoittautuvat voimavaroiksi.

COMPARISON OF BUSINESS CULTURE DIFFERENCES IN COMMUNICATION BETWEEN FINLAND AND JAPAN, CASE STUDIES: METSO PAPER OY & TIKKURILA OYJ

_____

The purpose of this thesis was to compare the business culture differences in communication between Finland and Japan. It was supposed to act as a study providing information and comparing the business culture differences between Finland and Japan focusing on the two cultures' patterns and features of communication finally creating solutions for communication problems and their development. The thesis is mainly meant for Finnish companies and/or individuals working with the Japanese. It helps them understand the Japanese culture and communication better as well as our own Finnish features.

Many Finnish companies today have an increasing amount of Japanese customers or colleagues. A paper industry firm Metso Paper Oy and a paint factory Tikkurila Oyj are among them. My goal was to interview the representatives of these companies as well as their Japanese colleagues/customers in order to find out their thoughts on communication between said cultures. My specific goal was to find solutions for more effective communication and co-operation preservation.

The two cultures are very far from one another with completely different business culture values. Yet an interesting point in my study is the similarity of these two different cultures when it comes to communication. I aimed at separating the business culture differences between Finland and Japan and picking out the similarities. Thus, it was easier to fashion ways into better communication with the help of the interviews.

In conclusion I got a very theory supporting study where the cultures vary greatly, but communicating with the Japanese is a lot more natural for Finns than it is for other western cultures. Humbleness, shyness and guts for example are qualities that we Finns and Japanese share with each other. We differ greatly from one another in the ways we do business; the Japanese are more conservative with their hierarchies while Finns emphasize equality and are more relaxed at work. We also do not share a common language, which makes communication more difficult, but the similarities we have in communication make up for the shortcomings in a certain way and turn out to be resources.

TABLE OF CONTENTS

1   INTRODUCTION

In the constantly changing business world, foreign relations are becoming more and more important through internationalization. It is vital to maintain good relationships with clients and colleagues worldwide. In order to do that, awareness of cultural differences and good communication skills are needed.

Japan is a humble and a traditional country with a war history and amazing survivor skills to be as fast growing as it is seeing how many of today's best high-tech innovations come from there. Finland has also survived wars and developed its technology to a point where it challenges the world market leaders. Finnish companies have an increasing amount of Japanese colleagues and clients these days. The two cultures share the knowledge of technology and can learn a lot from each other. To uphold successful relations, an understanding of one another's cultures is a great advantage as there are quite drastic variations in business cultures regarding hierarchy, dress codes, or even the concept of time. Therefore, it is crucial to pay attention to communication; a key factor in presenting cultural differences.

In this study I compare cultural differences in the business world and their effects onto communication between Finland and Japan. I came up with this topic during my internship in Tikkurila Oyj where a colleague suggested that my thesis could do something with communication. I chose Japan as the country of comparison of business cultures because it is so different from the Finnish one. Through this study I will try to unlock some cultural barriers in communication and solve ways into more effective understanding on both sides.

My case companies are Tikkurila Oyj and Metso Paper Oy. Both companies are quite big and international with Japanese clients and colleagues, so they have some experience of communicating with the Japanese. I believe I can gather a lot of data and comments from these companies by interviewing representatives from Metso and Tikkurila as well as their Japanese clients and colleagues in order to get many perspectives.

First I take a look in to the concept of culture and try to explain its many qualities. Then I shall talk about the effects of two or more cultures colliding and how that affects communication. I explain the key features of Japanese and Finnish communication styles and compare the two cultures with each other. I'll discuss my research method and conceptual frame of references further in the thesis and write down the results of my research, which will lead to the conclusions of the study.

2   WHAT IS CULTURE?

In this chapter I am going to explain the elements and characteristics of culture. This is an important way of understanding cultural differences.

Culture is a package of values, behaviors, beliefs, customs and attitudes that makes one society different from another one. Social structure, religion, values, language and communication are the elements of culture, which affect the way a society's members interact with each other. I shall explain the first three briefly in this chapter and take a look into language and communication more in detail later in the thesis. (Griffin & Pustay 2007, 82-83.)

2.1 Social structure

Social structure is the construction that defines the roles of the members of a society, the stratification of the society and the members' mobility in the society. Societies are different from each other in terms of family definition and the importance of an individual's role within groups. For example, in some cultures people tend to focus only on the nuclear family, which usually consists of a mother, father and siblings, whereas in other cultures all relatives, e.g. uncles, aunts, cousins etc are equally as important as the nuclear family. When it comes to an individual's role within a group, some cultures prefer not to have such a role at all meaning they rather promote the group instead of the individual. Other cultures encourage the individual and his/her own achievements. Social stratification is noted when societies classify

people based on their birth, profession, educational accomplishments or other features. Social mobility means the movement of an individual from one social class to another. This is often higher in countries where the social stratification is lower. (Griffin & Pustay 2007, 83-86.)

Japan has been a very traditional and conservative country in the past, but now that is changing. More and more marriages happen for love, not so much by arrangement anymore. Urban families don't live as near their parents as they used to but separately as the nuclear family is becoming more and more important. However, caring for elderly parents is still considered vital. The Japanese emphasize hierarchical relations rather than equal relations and tend to be group-oriented. Social stratification is quite high. (Website of WePapers 2009)

Finland is a country that values equality very much and the concept of hierarchy is considered foreign. The nuclear family is emphasized over other relatives due to long distances and hectic working life. Individuals are highlighted over groups and social stratification is low.

2.2 Religion

Religion can be an important cultural feature. It has an effect on the ways individuals in a society relate to each other and to outsiders. 85 % of the world's population are a part of some religious association. Religion models the thoughts its believers have toward work, consumption, individual responsibility and future planning. (Griffin & Pustay 2007, 94.)

Some cultures' religions highlight belief while others highlight practice. In some religions it is important to get an individual subjective experience; others emphasize the importance of the activities of the religious community. There are religions which state that their laws and rules bind everyone and there are religions with smaller localized communities. Religions play a significant role in many countries' educational systems, hospitals, politics, families and government. (Website of Geertz 1993)

The effect of religion on international business varies regarding to a country. It depends on the legal system, homogeneity of religious beliefs and the tolerance of other religious viewpoints of a specific country. In designing a product companies have to consider their market areas and the religions in those areas. For example in some countries a product with a red package is not successful because the color red is considered the color of death. In other countries, such as China, red is a color of luck, hence the product gains success. Religion is considered very important in some countries and it reflects the way things are done at work. In other countries it is barely noted. Therefore when doing business in a multicultural environment, it is wise to consider all the religions of each culture's individuals as they determine some holidays, dietary restrictions and Sabbath days. (Griffin and Pustay 2007, 94-97.)

Many Japanese people belong to more than one religions group, the most common ones being Buddhism and Shinto, which coexist well in Japan. Marriages may be held in a Shintoist ceremony and funerals in a Buddhist ceremony. Shinto is an ethnic religion only in Japan without a founder, holy writings or common education. According to it, almost everything has its own god or goddess. However, religion does not play such a big part in everyday life today. The average Japanese person's religious ceremonies take place in births, marriages and funerals as well as visiting a shrine or temple in New Year's or attending a festival with a religious background. (Lehtipuu 2010, 163-164; Website of Japan-Guide 2011)

Finnish people are mainly Christian with 78,2% being Lutherans, but since the 1980's there has been an increase in the amount of people with no religious connections (19,2%). Before Christianization, the main religion was Finnish paganism. In today's world even the people that belong in some religious group hardly ever act religiously. Like in Japan, religious ceremonies mainly take place in the celebrations throughout a person's life. Finns rely very much on facts and figures rather than on spiritual guidance. (Website of Evl 2011)

2.3 Values and manners

Culture affects the values and manners of people. Values are the principles and standards of the members within a society, while manners include the actions,

feelings and thoughts deriving from those values. Cultural values are the beliefs an individual has of his/her position relating to his/her deity, family and social hierarchy. Cultural manners reflect these values through such concepts as time, age, education and status. (Griffin & Pustay 2007, 97.)

2.3.1 Time

Different cultures value time in different ways. Anglo-Saxon cultures see time as money, and do not want it to go to waste. In business meetings the participants are expected to arrive early so the meeting can begin at exactly the given time. In Latin American and in Arab cultures, however, business meetings often start later than the suggested time. This is very common and it's not considered rude at all. (Griffin & Pustay 2007, 97.)

The Japanese do not want to waste time. They have long working hours and hardly ever take breaks during those hours. Even if they would have nothing to do they try to keep looking busy since doing nothing is something the Japanese can't stand. This is also why they tend to take as many workdays as possible and as little vacation as possible. Tardiness is also considered as unacceptable. (Marukhnyak 2011)

In Finland time is highly valued and organized for the business to keep running at a certain pace. Delays and interruptions to time can ruin a precise schedule. If tardy from an appointment it would be wise to inform the waiting person about it. The present is emphasized over the past or the future, yet Finns tend to be long-term orientated. (Hampden-Turner & Trompenaars 1998)

2.3.2 Age

Attitudes toward age vary across cultures. In many western countries youthfulness is considered important. These western companies may send only young people to important business negotiations as the younger employees are considered innovative with fresh new ideas whereas in Asia senior employees are respected more than the young ones. This can cause problems as the senior participants of a negotiation may find the participation of young people offensive. (Griffin & Pustay 2007, 97.)

Japan is a traditional country where seniors are highly respected and promoted over younger employees. Age and experience are important so it is very common that a manager is older than his employees. However, if the older generation does not possess enough information of new technology for example, the decision-making responsibility is handed over to the younger employees. They decide what to do within the company, but an older official manager will present the information outside the company as his idea. This is to ensure the lasting of hierarchy and respect. But even if a young team member doesn't speak during meetings, it doesn't mean that he/she is not important. After the meeting, this young team member is the one to go to for more details. It might even be so that the manager got promoted for his seniority even if he has no knowledge of technology. Hence, he relies on his employees' expertise. (Lehtipuu 2010)

In Finland seniority is valued in conservative business fields and governmental positions. In most companies promotions are given to people with the right expertise, experience and hard work. There are many young executives in today's business world in Finland. Like in many other countries, if an employee stays loyal to one company for long in his/her life, different kinds of gifts are given to him/her; the value of them depending on the years the employee has worked for the company. (Keskuskauppakamari 2011)

2.3.3 Education

A society's cultural values are mirrored in its system of public and private education. USA, for instance, takes pride in its extensive access to the country's top schools. Having access to institutions with higher education has nothing to do with the person's income and academic talents. In the UK, however, there are elite schools with only a small amount of students. In Japan and France, students take a nationwide entrance exam where the top students get to enter one of the highest appreciated schools guaranteeing them great placement opportunities. The educational system of Finland is highly appreciated worldwide with its compulsory but free education for all regardless of their social status, university-trained teachers

and autonomy in the development of a school's own curriculum. (Griffin & Pustay 2007, 98; Maes 2010)

2.3.4 Status

The ways of achieving a status varies in different cultures drastically. In some societies a status is inherited from a person's ancestors. If this status is high a person's own achievements don't mean a thing and these people may look down on others who have accomplished a higher status on their own. In other societies hard work is what matters and people who have gained their status this way are highly respected. (Griffin & Pustay 2007, 98.)

Since hierarchy is common in Japan, status differences identify almost all social contact. Status can be defined by age, seniority, gender, educational achievement and place of employment. The Japanese might find it uncomfortable to interact with a person whose background they do not know. Business cards are important in Japan, because they define a person's status and thus the way he or she should be spoken to. (Website of Japan-101 2005)

The Japanese language also expresses status differences. Superior and inferior relationships are articulated with the help of verb endings. Due to rich vocabulary, a speaker may use humble terms in order to state what he/she wishes the relationship between speakers to be. Women use more polite words than men. (Website of Japan-101 2005)

In Finland, there is hardly any emphasis on status. Finns respect managers for their people skills and hard work, not for their status. The basic idea is that a person's status should be earned rather than being born into. (Windmeyer 2009, 2.)

2.4 Hofstede's cultural dimensions

The work of Geert Hofstede on cultural dimensions is considered to be one of the most significant studies on cultural differences in the workplace. It can only be explained through comparison, as without it, cultures don't exist. I am going to

explain the five dimensions of how people from different cultures differ from each other. It is good to remember though, that these dimensions are not unconditional; exceptions always exist. (Griffin & Pustay 2007, 100; Website of Geert Hofstede 2009)

The figure below shows a comparison of the scores of Japan and Finland according to Hofstede's study. PDI = Power distance, IDV = Individualism, MAS = Masculinity, UAI = Uncertainty avoidance, LTO = Long-term orientation
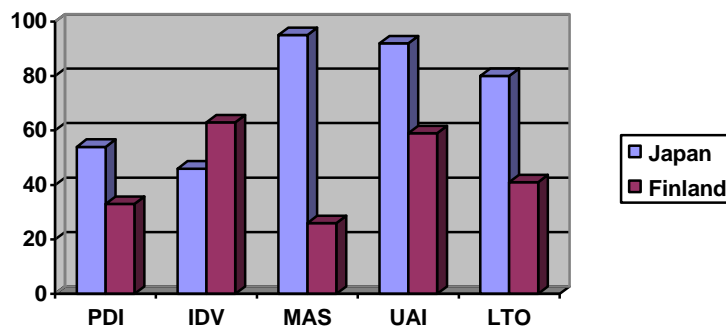
Figure 1. Comparison of Hofstede's cultural dimensions between Japan and Finland. (Website of Geert Hofstede 2009)

2.4.1 Individuals and groups

In individualism it is believed that the person comes first. These people tend to be independent with a high amount of self-respect. They put their own interests before the interest of the company/organization/group and evaluate decisions in terms of how they affect the person as an individual. Individual characteristics include common use of the term "I", decisions made immediately by representatives of a meeting etc, expert negotiations, personal achievements and responsibility, salary motivation, individual evaluation, high job turnover and mobility as well as appreciation of "champions". Individualism is highlighted in Finland. (Griffin & Pustay 2007, 102; Bartlett 2006)

Collectivism emphasizes the group. Group-oriented people have a large social network with extended families and colleagues. They put the group ahead of their own welfare and success. If the group has made a mistake all its members experience

mutual shame and tend to take it personally. Group characteristics include common use of "we", decisions delegated back to the company, team negotiations, group achievements and responsibility, motivated by good morale and fellowship, low job turnover and mobility and praise of the group. Japan is definitely more collectivistic than Finland even though it is not as collectivistic as most Asian countries. (Griffin & Pustay 2007, 102; Bartlett 2006; Website of Geert Hofstede 2009)

2.4.2 Power distance

Some cultures have very hierarchical organizations. These cultures are characterized by high power distance. This means that people tend to accept and respect the authority of their superiors just because of their positions in the hierarchy. It is believed that decisions and tasks should automatically be accepted when they are coming from a person with a higher status within a company. High power distance attributes include unequal -but accepted- power distribution, importance of status, hierarchy, regarding superior's opinions more important, centralization, orders/commands, superior privileges, formality and contact initiative by superiors. Japan has high power distance compared to Finland but compared to other Asian countries, it is pretty mild. (Griffin & Pustay 2007, 104; Bartlett 2006; Website of Geert Hofstede 2009)

Other cultures prefer flatter structures. The people of these cultures are more likely to question a decision made by a superior or even refuse it. They will only follow a leader if they feel that he/she is right or if it is in their own self-interest to do so. Low power distance attributes include superior only right when possesses more knowledge, flat, flexible organizations, less supervision, low centralization, contactable superiors and possible by-passing of superiors. Finland is under this category. (Griffin & Pustay 2007, 104; Bartlett 2006)

2.4.3 Uncertainty avoidance

Cultures characterized by low uncertainty avoidance are open to changes and new opportunities. Vagueness is seen as a possibility to grow and develop. In contrast, certainty bears with it monotony, routines and domineering structure. Low

uncertainty avoidance attributes are flexibility, dislike of rules and too much structure, being ok or even happy about open ended situations, creative problem solving, making room for innovation, job mobility, working hard only when necessary and differences seen as interesting. The uncertainty avoidance in Finland is quite low compared to that of Japan as seen in Figure 1. (Griffin & Pustay 2007, 105; Bartlett 2006)

Cultures with high uncertainty avoidance tend to avoid vagueness whenever possible. Change is not welcome. Hence, these cultures like structure, routine and even bureaucracy. High uncertainty avoidance attributes are worry for the future, low uncertainty tolerance, high stress, value of hard work, respect for lifetime employment, low tolerance of differences and strict schedules. Japan ranks in one of the highest in high uncertainty avoidance (see Figure 1). (Griffin & Pustay 2007, 105; Bartlett 2006)

2.4.4 Masculinity vs. Femininity

People from masculine countries seem to value material possessions, money and assurance. They are also more likely to draw a line between genders expecting women and men to do their roles. For men the role is to work and get a good career, women's role is to stay at home and focus on the family, or to have a job in a branch dominated by women. Masculinity characteristics include achievement considered important, competition, conflict fighting, academic performance, assurance respected, career stress and determination. Japan is a masculine country, although the role of women is changing. (Griffin & Pustay 2007, 107-108; Website of Geert Hofstede 2009)

In feminine cultures, a higher value is put on social relationships, quality of life, modesty and care for others. Men and women in these cultures tend to pursue various careers. Femininity characteristics include relationships considered important, solidarity, compromise, negotiation, social compliance, assurance scorned, life quality stress and intuition. Finland is a feminine country. (Griffin & Pustay 2007, 107-108; Website of Geert Hofstede 2009)

2.4.5 Long-term vs. short-term orientation

Cultures can either adopt a long-term or a short-term attitude on work, life and other societal aspects. Some cultures have a long-term orientation, which appreciates devotion, hard work, determination and prudence. In short-term orientation such things as tradition, social responsibilities and protection of one's "face" are valued. Japan among many other Asian countries has adopted long-term orientation, even though it has characteristics of short-term orientation as well. Finland with such countries as France, Germany and USA is more short-term oriented. (Griffin & Pustay 2007, 108; Website of Geert Hofstede 2009; Website of Via-Web 2011)

2.5 Trompenaars' and Hampden-Turners' study

The study conducted by Fons Trompenaars and Charles Hampden-Turner is somewhat similar to that of Geert Hofstede's regarding e.g. hierarchy and individualism. They distinguished seven universal cultural dimensions indentifying cultures' characteristics, which are:
1. universalism vs. pluralism
2. individualism vs. communitarianism
3. specific vs. diffuse
4. affectivity vs. neutrality
5. inner directed vs. outer directed
6. achieved status vs. ascribed status
7. sequential time vs. synchronic time

However, I am only going to explain three of these seven dimensions, as the rest are similar to the dimensions of Hofstede and have been explained earlier in the thesis (see 2.4). (Website of ProvenModels 2011)

Specific versus diffuse is the degree to which responsibility is particularly allocated or is diffusely accepted. In specific cultures, such as Finland, people tend to analyze parts individually and then put them into a whole. This also means that contact between people is closely defined. It is likely for people of these cultures to focus on hard facts and contracts. People of diffuse cultures, like Japan, see the whole first and

only then see the individuals from the viewpoint of the whole. It means that all elements are related to each another. (Website of ProvenModels 2011)

Affectivity versus neutrality is the amount to which people show their emotions. People show their emotions in affective cultures, and it is not considered necessary to hide one's emotions. In neutral cultures, like Japan, people are likely to not show their feelings openly. These people tend to control their emotions; hence the display of feelings is quite minimal. Finland belongs somewhere between affectivity and neutrality. (Website of ProvenModels 2011)

Inner directed versus outer directed is the degree to which people believe that the environment is controlled by them or the environment controls them. In inner directed cultures people believe that the environment can be controlled with enough knowledge. They believe that though complex, the environment can be dominated by people. Outer directed cultures have an organic view of the environment believing that it is the force of life and people should live in harmony with it. That is why these people adapt to outer conditions. (Website of ProvenModels 2011)

In this chapter I have talked about the most important elements and characteristics of culture; social structure, religion, values and manners as well as Hofstede's cultural dimensions and Trompenaars' and Hampden-Turner's study. However, I have excluded an important cultural feature: communication. Since the topic of my thesis has everything to do with communication, I have dedicated chapter 4 entirely on the matter.

It is visible in this chapter that Japan and Finland do not have much in common. Japan might be seen a bit conservative and traditional through the eyes of a Finn. However, both countries value many similar things and share some cultural characteristics as can be seen further in the thesis.

3   CULTURAL COLLISION

This chapter discusses the Japanese and the Finnish business cultures. I'm going to take an overlook on both cultures and find the key differences as well as similarities. It is good to understand the main features of the business cultures of these two countries before studying their communication styles. This will bring awareness to some cultural barriers.

3.1   Introduction to Japanese business culture

In Japan it is very common for companies to hire people for lifetime employment. Usually employees are very loyal to the companies they work for and tend to introduce themselves as "members of the staff of Toyota", for example, rather than as engineers, teachers, marketing executives etc. Employees make progress according to an existing system within the company - guaranteeing them a promotion and a raise - until they retire. They are given new tasks and transfers from one department to another in every 2 to 5 years. This way the employees gain experience, meet new people and get to know how the company functions as a whole. (Rowland 1990, 119-120; De Mente 1995, 53-54.)

The best leaders in Japanese companies are more likely to take care of relationships than set goals and make decisions. They know how to build a right kind of an atmosphere and keep up the working morale. Employees are "the life and spirit" of the company and thus, leaders take good care of the needs and growth of their employees. Japanese companies offer a variety of free courses to their employees, such as martial arts and tea ceremony. Parties are also arranged on a regular basis. (Rowland 1990, 119-121.)

Business relationships are also important with other companies. Japanese businesses use a lot of time and energy in long-lasting relationships. It is considered "a taboo" to do business with another company without established relations. Profit-oriented relations are not a part of the Japanese business style. Hence, regular corporate visits

are common as well as gift giving. Also the interests and hobbies of others are paid close attention to. (Rowland 1990, 119-124; De Mente 1995, 53-54.)

Japanese society is hierarchical and group oriented. The place of an individual within the group hierarchy is defined by age, social status, seniority and title. An individual alone is out of the question. The people in the top of the hierarchy have to be fair towards the ones lower in the hierarchy, and the lower ones must be loyal to the top people. The elite group consists of top civil servants and leaders of the biggest companies, who are selected out of the graduates of the top universities. The social status is not shown however. Bragging about one's social status is rude and a way to lose face. An individual's status is presented subtly. (Pukkila 2002, 97-98.)

When going to a business meeting with the Japanese for the first time, it is good to keep in mind that the focus of the meeting is not business but getting to know each other, in other words, building a relationship. Therefore, patience is needed. The negotiation process takes a long time, the amount of participants is relatively big and the Japanese are quite vague about business deals until the contract has been signed. (Rowland 1990, 47; Fintra 1998, 29.)

Business cards are a very important part of introducing people. They define an individual's status and thus, the way he/she must be spoken and bowed to. Bowing, ojigi, is done whenever greeting someone. The lower the bow the more polite it is. The business cards include the name and occupation of an individual both in English and in Japanese. The card is handed over by holding it with both hands so that the receiver can read it. The receiver bows politely when accepting the card and hands out his/her own card. The cards are examined carefully and commented on. It is considered really rude to ignore a business card. (Pukkila 2002, 101; Fintra 1998, 33; Otsubo 1986, 28-29)

The dress code is quite conservative. Men wear dark suits, white shirts and discreet ties. A clean image is achieved by polished shoes, dark socks, well-groomed hair and manicured nails. Women wear stylish jacket suits, classic accessories and discreet make-up. The leader might have an expensive pen, a watch and a belt. (Pukkila 2002, 104-105.)

The Japanese office is usually a very open space with hardly any independent rooms. The boss's desk is located in a place easily accessible for the staff. Small, informal meetings, called uchi-awase, are commonly arranged openly at the boss's desk so that everyone can hear the discussion and keep up with new plans etc. This open office layout is another way of promoting teamwork in a group-oriented society. (Otsubo 1986, 41)

Business dinners are very important to Japanese people and they might take place every night. Dinner is often followed by a change of location usually involving some entertaining activity and drinking. The next location may be a pub, a karaoke bar or a hostess club where kimono-clad women serve men drinks and entertain them in various other ways. Women are invited to these activities as well, but it is considered best for them to join the dinner and kindly refuse the outing followed by it, or at least leave the bar or pub earlier than the men. (Kopp 2008; Brannen & Wilen. 1993, 73-74)

3.2   Introduction to Finnish business culture

Finnish organizations are not hierarchical but flat in structure. Finns highlight equality and it can be seen with a high amount of women involved in business. They also have a high respect for rules and tend not to take company policies lightly. They don't tolerate favoritism nor do they respect a manager with a status unless he/she has earned it with hard work and experience. (Windmeyer 2009, 2)

Unlike other Scandinavians, Finnish businessmen are not likely to count on consensus as a means of making important decisions. This is only because Finns like to know exactly what tasks and responsibilities belong to them and take care of the decisions that are included in those tasks. That is why the slowness of some other countries' decision-making processes might frustrate Finnish business people. The structures of a company are defined clearly so that the employee knows just what is expected of him/her. In return the company trusts the employee is equipped with sufficient skill to perform his/her job. (Website of WorldBusinessCulture 2011)

Meetings are an important way of information sharing. In a culture that values punctuality, meetings will begin at the given time and end at the given time. They tend to be quite long and well-structured following an agenda with one person talking at a time – when asked permission from the Chair. Comments aren't made unless they are essential. There might be small talk before the meeting, but usually very little of it. (Website of WorldBusinessCulture 2011; Windmeyer 2009, 3)

Finland is a country where individualism is emphasized over collectivism. Therefore, business teams don't usually consist of people sitting around the same table with their heads together. Each team member has an individual task and shall work on it privately, with the help of the team leader if needed. Then all the tasks of each member are put together in order to reach the team's goal. The team leader defines the members' roles and the team's objectives, but will then stay in the background. Too much interest from the team leader might be considered as criticism or distrust in the team member's ability to finish the task. (Website of WorldBusinessCulture 2011)

The business dress code varies in different companies, but overall it tends to be quite casual. Businessmen and –women usually wear something stylish and smart, but not anything too pretentious. It is rather common to see jeans and T-shirts in high-tech industries. Leaders wear conservative suits more than others as they have many meetings to attend. (Website of Kwintessential 2010)

The sauna is a big part of the Finnish culture, so it is worth mentioning even when talking about business. It is considered an honor if a foreign business partner is invited to sauna. Meetings are often held in saunas, although they tend to be unofficial and less formal. Finns might not understand that for people from other cultures it is a little uncomfortable to be naked in a sauna with strangers, because for Finns it's completely natural. (Website of WorldBusinessCulture 2011)

3.3   Differences and similarities

One of the key differences between the Japanese and Finnish business cultures is hierarchy. The Japanese have a high group hierarchy while Finns prefer flatter structures. In Japan managers are bowed and spoken to in a very formal manner, whereas in Finland bosses are spoken to in a casual manner using their first names. Japanese leaders tend to oversee the work of their employees very closely while Finnish leaders are more likely to be on their own, offering help only when needed.

This is followed by the fact that Japan is a group-oriented society and Finland is its opposite with emphasis on individualism. This can be seen in Japan's open office layout, where everyone is easily accessible and small meetings are held so that everyone can hear. In Finland people tend to have their own offices – depending on the company and an individual's status – and meetings are usually held behind closed doors. The Japanese work in teams a lot and if one fails, the whole team will feel mutual shame. In Finland the team's tasks are divided for each member with individual responsibilities.

Business meetings with the Japanese may be a little difficult for Finns as the Japanese take their time and arrange meetings first in order to build a relationship. Finns tend to go straight to business and make fast decisions, which the Japanese might consider rude and impolite.

The dress code in Japan is conservative whereas in Finland it is quite casual. Leaders in both of these countries don't really tend to brag about their status, but show it in a subtle way; in Japan wearing expensive belts, watches etc and in Finland simply by wearing a nice suit.

The position of women in business also differs. There are hardly any women involved in business in Japan, as they usually tend to have so called feminine occupations or stay at home and take care of the family. In Finland women as leaders etc is a very common sight. However, the Japanese treat women just as fairly in business meetings as they would treat men.

It seems that on the whole Japan and Finland have different views on cultural values. The following figure helps understand some of these values.

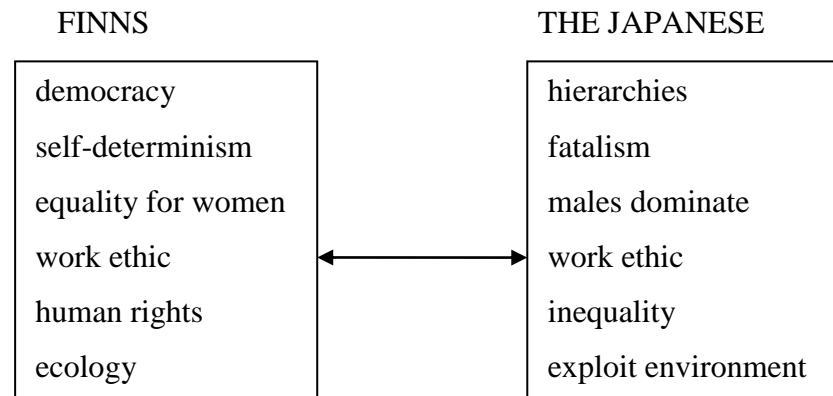| FINNS	THE JAPANESE
democracy	hierarchies
self-determinism	fatalism
equality for women	males dominate
work ethic	work ethic
human rights	inequality
ecology	exploit environment

Figure 2. Finnish values vs. Japanese values. (Lewis 2005, 68.)

When it comes to socializing, the two get along quite well. The typically shy Finn enjoys a night out in Japan as alcohol brings out a more talkative side to him/her. A Japanese businessman finds the invitation to sauna welcoming, being a fan of hot baths himself. Despite the geographical distance, Finns and the Japanese are able to socialize for hours and hours whereas e.g. Swedes and Spaniards – who live much closer to each other – may find socializing with each other rather difficult. (Lewis 2005, 132.)

The business cultures of Japan and Finland are quite different. For example, it might be confusing for a Finnish businessman visiting a colleague in Japan to pay attention to details that he/she hasn't even thought of, such as the way a business card is given. On the other hand, the casual way things are handled in Finnish companies might confuse a Japanese businessman used to a hierarchical structure. Despite some differences, there are a lot of similarities and mutual understanding between these two cultures. Many of the similarities lie in communication, which I will discuss later in the following chapter.

4   COMMUNICATION

This chapter deals with communication. Firstly, I will explain the different ways of communication, then the problems of cross-cultural communication and finally I will explain the key features of Japanese and Finnish communication styles. As mentioned in the previous chapter, this chapter will reveal the communication similarities between Japan and Finland since chapter 3 focused more on the cultural differences.

4.1   Means of communication

Normally the means of communication are divided into two groups. They are verbal communication and nonverbal communication. Both of them have a great impact in the way an individual's message is understood. Communication can go wrong with two people from the same culture, but it has much greater chance of doing so when people are from different cultures. In these cases the communicators encode messages using their cultural filters and the receivers of these messages decode them by using their own filters. This often leads to misunderstandings. (Griffin & Pustay 2007, 91.)

4.1.1 Language

Language is a means of verbal communication and an important part of culture. It arranges the way societies think of the world. It sorts out observations and views and therefore it has an effect on the messages that are sent when two people communicate with each other. Language presents clues about the cultural values of a society. (Griffin & Pustay 2007, 86-88.)

Companies doing business in foreign countries often have to struggle with language. In their marketing campaigns they have to pay close attention to the idea they are trying to get across instead of direct translations. For example, KFC from the USA had a hard time getting their slogan "Finger Lickin' Good" to come across in China

where it translated into less appealing "Eat Your Fingers Off". Different cultures also have different meanings for simple words such as 'yes' and 'no'. In Japan it is rude to say 'no', so they often say 'yes' even if they mean 'no'. This can be frustrating to their foreign business partners who thought the terms of a contract, for example, had been agreed on. Instead the Japanese had used the word 'yes' to indicate that they had understood what was being said. (Griffin & Pustay 2007, 90-91.)

The main language in Japan is Japanese. It is said to be related to the Altaic language group including Turkish and Mongolian, but also has similarities with Austronesian languages such as Polynesian. The grammar is not nearly as complicated as for example Chinese. There are no gender articles or distinctions between plural and singular forms and nouns are always in the same form. When it comes to pronunciation, Japanese has only few sounds. Different accents, however, might make understanding a little difficult as well as many homonyms. Language is used delicately in Japan since strangers and superiors are spoken to in different words and facial expressions as opposed to speaking to children, family members or friends. Keigo, an honorific language level, is used for formal occasions. (Website of Japan-Guide 2011)

Finnish is the main language in Finland, the second official language being Swedish. Finnish belongs to a Uralic language group, but is quite unique. The grammar is rather complex as there are no prepositions, but fourteen case endings for a noun. Like in Japanese, Finnish doesn't know any gender articles and there is just one word for 'he' and 'she' (hän). The pronunciation is easier than the grammar as the stress is always put on the first syllable of words. One of the many complicated things in the Finnish language is that the written language does not correspond to the spoken language, since the latter involves a great deal of abbreviations from the written language. (Lewis 2005, 45-47.)

4.1.2 Nonverbal communication

Researchers believe that 80 to 90 percent of information is sent out through nonverbal communication. This includes facial expressions, body movement and posture, gestures, eye contact, touch, space and the tone of voice among several other things. People sharing the same culture understand the nonverbal communication of each other, but it might not be as obvious for people from another culture. (Griffin & Pustay 2007, 91; Segal 2010)

The human face can express limitless feelings and emotions without saying a word. Unlike some other types of nonverbal communication, facial expressions are worldwide. The expressions of anger, sorrow, happiness, fear and surprise for example are the same no matter what an individual's origin might be. (Segal 2010)

The way a person sits, walks, stands or holds their head has an impact on communication. Even subtle movements convey a remarkable message to others. Crossing one's legs might indicate tension and foot tapping might be a sign of wanting to escape. (Segal 2010)

Gesturing varies greatly across cultures. However, we often do it without thinking. We wave, beckon, point and even use our hands aggressively when arguing. People from certain cultures, such as Latin America, gesture a lot, while the Japanese or Finns keep hand gestures to a minimum. (Segal 2010)

Eye contact is an important part of nonverbal communication, but it too is different in different cultures. Some cultures see close eye contact as a polite way of showing interest, affection or attraction, while some other cultures consider staring uncomfortable. The intensity of our words is greatly highlighted with our eyes. (Segal 2010)

Touch or the lack of it is also a way of emphasizing a message. Touch usually goes without saying, but it can mean different things across cultures. The most common forms of this are a handshake, a tap on the shoulder, a hug, a pat on the back or a controlling grip on one's arm. People from North America aren't shy to touch a new

acquaintance to show friendliness, whereas most Asians aren't very comfortable or used to this. (Segal 2010)

The need for space is shared by a given culture but it is also an individual thing. Finns and the Japanese tend to need at least an arm-length space from another person, but the people from Saudi-Arabia are perfectly at ease being very near each other. Space can cause some misunderstandings across cultures as others need bigger personal space and back away from another person while the other person sees this as impolite. (Griffin & Pustay 2007, 91; Segal 2010)

The tone of voice can indicate such things as e.g. sarcasm, anger, confidence or affection. This is usually paid more attention to than the actual words. The message is affected by the rate, rhythm, pitch, volume and inflection of a person's voice. The tone of voice tells what we really mean. (Segal 2010)

4.2   Cross-cultural communication

Communication can be challenging among people within a society, but when people from different cultures communicate, the problems tend to get even more complicated. This is due to the fact that communication effects are symbolized differently across cultures. Therefore efforts should be made beforehand to train individuals to better understand the life, social and political relations, values, attitudes, traditions and religion of their culture and that of the other cultures concerned. However, this is only a minor thing in understanding cultures. It must derive from honesty, respect and goodwill. (Najafbagy 2008)

The following principles should be taken into consideration to avoid conflicts:
- enhancing awareness and comprehension of one's own rights and culture
- becoming aware of one's feelings and attitudes towards a person from another culture and vice versa
- understanding the political, economic and social situations of a culture and how they affect personal behavior
- appreciating the similarities as well as differences of different cultures

- being flexible to the degree of solving conflicts

Nobody will benefit from forcing one's own culture on others. Mutual respect and understanding are needed for constructive communication. (Najafbagy 2008)

Multicultural companies often face problems in communication with their employees. This is reflected in teams especially. Some factors that help develop trust early in a team's life are:

- social communication
- enthusiastic communication
- managing technical uncertainty
- individual initiative

Factors that sustain trust throughout a team's life:

- predictability
- significant and timely responses
- successful shift from social to practical to task focus
- positive leadership
- phlegmatic response to crisis

(Bartlett 2006)

Virtual teams face even more problems than other teams. This is because communication is text based instead of face to face, there's only a little direct communication to individuals, no shared team space, no physical links and people understand technical features differently. Therefore it is important to make sure one's feelings and attitudes come across in a text. Giving individual information is necessary and good for using email. Telephoning is better for building relationships. (Bartlett 2006)

4.2.1 Low context – High context

The degree of detail put into communication also differs across cultures. In high-context cultures very little detail needs to be said. Information is taken from the circumstance and this is used to interpret the speaker's words. High context characteristics include interiorized information, reading between the lines, general and flowing information and weight on oral communication.
(Bartlett 2006)

Low context cultures are very specific about spoken information. The words are repeated to ensure the listeners get the messages. Low context characteristics are information through detailed messages, fragmented and repeated information as well as weight on written communication.
(Bartlett 2006)

In these two types the information sharing can lead to confusion. High context people may look down on low context communication while low context people may feel confused by high context communication. High context people are at ease with an oral agreement making plans over the phone expecting everyone to act. Low context people prefer written agreements making cautious plans over the phone, then putting it in writing, checking that everyone agrees and then implementing the plan. In order to avoid misunderstandings and confusion, early plans and understanding of the other party is needed. (Bartlett 2006)

4.2.2 Japanese communication style

Japanese communication style is very subtle and often vague. This prohibits offending anyone as nothing is said directly. However, different people are spoken to in different ways. People with higher status are spoken to very humbly but friends and family are spoken to in a more relaxed way. (Rowland 1990, 67-68.)

Because verbal communication in Japan is so vague, foreigners often have problems understanding what the Japanese mean. For example the word 'yes' (hai) can be

quite tricky for a foreigner to comprehend. It is used to express that the other party of a conversation is listening and understands what is being said, but it is necessarily not a sign of agreement. Therefore it is important to pay attention to body language. The Japanese rarely say 'no' (iie) directly as it is considered impolite. Instead they like to use euphemisms such as "I'll think about it", "I'll do what I can", "That is quite complicated", "I'm not sure". Saying 'no' is thought to be directed to a person instead of the idea, opinion or request they pose. 'Iie' is only good when one is being complimented on. This is a true sign of humbleness and therefore it is not threatening positive feelings. (Rowland 1990, 68-70.)

The classic Japanese poker-face is a remnant from the days of the samurai, when feelings were never allowed to be shown in the face. Nowadays it is an invisible shield in a busy land where privacy is difficult to find. It is also a tool for hiding negative feelings as suffocation of emotions is still a virtue. (Rowland 1990, 75-76.)

In the western world people are taught to maintain eye contact at all times. In Japan "staring" is very impolite. Avoiding eye contact is a way of showing respect, not a sign of insincerity or a lack of self-esteem as is thought in western countries. (Rowland 1990, 76.)

The Japanese smile and laugh just like everyone else, but sometimes a foreigner might stop to think what was so funny. Sometimes laughing and smiling are used to hide the pain a person feels and by doing so one also spares another person from feeling compassion. Whenever nervous laughter or a fake smile is seen, it is usually a sign of something uncomfortable being hidden. Therefore it is not wise to ask about it or take the matter any further. (Rowland 1990, 76.)

When the Japanese are talking to each other, they stand quite far away from one another – at least in the eyes of foreigners such as Americans. If a line of personal space is crossed, a Japanese person usually feels really uncomfortable. Touching in the business world is not common either. There is no back patting or shoulder touching. Close friends and family members do touch each other to some extent, but new acquaintances should avoid this. (Rowland 1990, 76-77.)

Japanese body language is very delicate. Gestures are minimal and controlled. Bowing is of course important and a good way of getting someone's attention. The automatic reaction to this is bowing "back" and paying attention to the other person; so states the Japanese etiquette. (Rowland 1990, 78.)

4.2.3 Finnish communication style

Finnish communication style is reactive. This means that Finns seldom initiate action or discussion, but listen first and then react to it. Reactive cultures are the world's best listeners and they rarely interrupt someone during a presentation. When they do express a reply, it is not likely to be a strong opinion but a further question to clarify what has been said. (Lewis 2005, 70-71.)

Finns do not trust verbosity. This is the reason why they are silent. They say only what is necessary and no extra. They also don't like to talk about their feelings, but this concerns Finnish males more than women. Briefness makes them good summarizers however. When they do open their mouths, they tend to be very direct. (Lewis 2005, 62.)

Another feature describing the Finnish communication style is the minimalism of body language. It exists, but it is not understood by people from more animated cultures. In Finland upbringing daunts gesticulations, exaggerated facial expressions, and open manifestations of sorrow, love, hate, delight, disappointment or triumph. This is why body language is so subtle. Eye contact is present when introducing oneself or when listening to someone, but Finns mostly tend to look away when giving their own reply. (Lewis 2005, 77.)

The mouth is definitely not the most active part of the human body in Finland. Most cultures not only use it for talking but for expressing feelings as well. Finns tend to stay tight-lipped rarely even using their mouths for a smile. Finns don't like to touch one another either, but they do it more than the Japanese. Arm being a neutral body zone, even Finns don't always shy away from giving it a pat or guiding someone by the elbow. (Lewis 2005, 79-80.)

Finns have a strong need for personal space. They like an arm-length distance when speaking to someone. If the line is crossed the Finn – feeling uncomfortable - will normally take a step back. Therefore it's good to resist the temptation to take another step forwards. (Lewis 2005, 131.)

4.2.4 Communication differences and similarities

Even though Finland and Japan are so far away from each other, the two cultures share some characteristics and feel at ease with each other. The two languages, however separate from each other, have been found quite easy to pronounce for counterparts of both countries. The fact that both languages are more or less unique creates a kind of kinship between the two; both are isolated from language groups with many cousins (Germans, Swedes, Britons or Italians, French, Portuguese). This sense of isolation reflects in the minds of the Japanese and Finns in a way that both think that they are bad at learning foreign languages. It prevents them from speaking much out of fear of making mistakes. Losing face is feared in both countries. (Lewis 2005, 131.)

Due to the fear of verbal communication, both cultures have highly developed their non-verbal communication. The Japanese show their incredible politeness and consideration through body language, kindness and gift giving. Finns communicate with the means of friendliness, comfy silences, inviting gestures, shy gentleness and sauna sharing. The Japanese enjoy the kind of controlled sociability Finns offer. (Lewis 2005, 132.)

The Japanese also belong to the category of reactive cultures where listening is important. Both cultures distrust verbosity, as only the important things need to be said. The Chinese proverb "those who know do not speak; those who speak do not know" is respected in Japan and Finland. (Lewis 2005, 67, 71.)

As both cultures have such subtle body language, the Japanese and Finns are actually quite good at distinguishing each other's body language. They can be quite horror

struck to see the enormity of gesticulations that Italians and Arabs demonstrate. The American overly friendly smile and bear-hugs can be off-putting as well. The only complication in the relationship of these two cultures is that Finnish frankness might be a bit upsetting for the Japanese. (Lewis 2005, 62, 77.)

The similarities of Japanese and Finnish communication styles are demonstrated in the figure below.

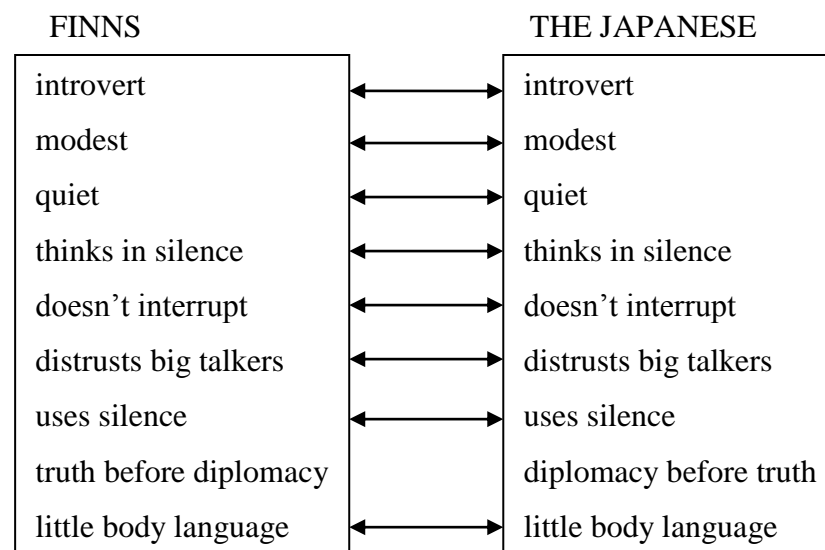| FINNS		THE JAPANESE
introvert	←→	introvert
modest	←→	modest
quiet	←→	quiet
thinks in silence	←→	thinks in silence
doesn't interrupt	←→	doesn't interrupt
distrusts big talkers	←→	distrusts big talkers
uses silence	←→	uses silence
truth before diplomacy		diplomacy before truth
little body language	←→	little body language

Figure 3. Communication dilemma between Finland and Japan. (Lewis 2005, 68.)

Despite the different backgrounds of Japanese and Finnish cultures, they are both very much alike when it comes to communication. The similarities in the non-verbal communication are fascinating and the two get along very well without even trying. Both belong to the category of high context cultures, although the Japanese are higher on the list than Finns. I believe that through these similarities the conflict resolution is also more efficient than between cultures with totally different communication features.

5 RESEARCH PROBLEM & METHODOLOGY

In this chapter I will explain the research problem, research questions, my objectives for the thesis and the methodology I'm using to get the answers. In this study I will use the elements in the theoretical part and combine them with the information I get from the research. This way I can create a good general picture of the cultural differences in communication between the Japanese and Finns, and see if the theory supports practice.

5.1 The main problems and objectives

The main issues to be solved in this study are cultural barriers that occur when Finnish companies are communicating with the Japanese. These barriers are mostly visible in misunderstandings and unintentional offences. I intend to find out what the biggest problems and the most difficult situations are when communicating with the Japanese. This will help me fashion solutions for more effective communication.
The most important research questions are:

- What are typical features of Japanese culture and how do they affect communication style?

- What are typical features of Finnish culture and how do they affect communication style?

- How are cultural differences shown in communication?

- How and in what means is communication made with Japanese clients/co-workers etc?

- How are difficult situations handled?

- How communication could be further developed?

My main objectives are to broaden the minds of any Finn involved in business with the Japanese, to find out as much as I can about Japanese business culture, to get interesting views from many perspectives and to pose creative solutions to problems in communication. Although operational aspects will be a great help in my study, the main tool I used was research.

I have gathered the most important features and theories of my thesis on the figure below. I will find out the potential obstacles for communication between Japan and Finland through my research. After that I will have all the information needed to write my research findings and conclusions.

The theories presented in the figure are important for my study as they all shape the perception of culture and help understand some of the most important cultural features in communication. After looking at the general ideas, such as Hofstede's and Trompenaars' studies on cultures, it is easier to explain and understand the characteristics of Finland and Japan.
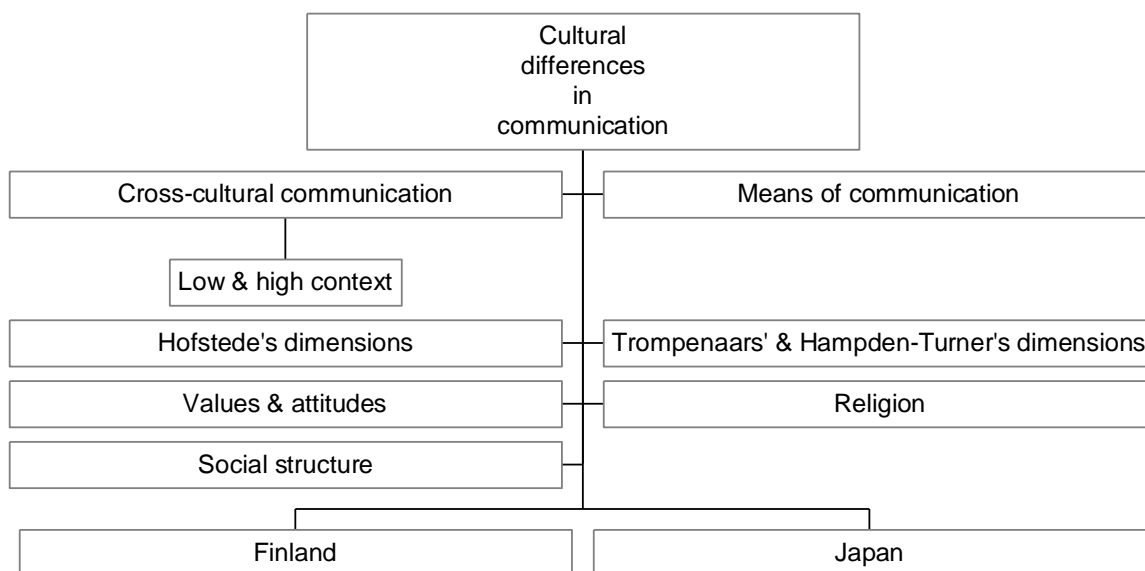
Figure 4. Conceptual frame of references.

5.2   Research method

My research method is interview. I am going to interview people with Japanese contacts from Tikkurila Oyj and Metso Paper Oy as well as their Japanese colleagues/clients. This way I can gather perspectives on both cultures in the business world. This method is qualitative and I believe with the right questions I can make the theory of my thesis support the research findings, or perhaps even contradict them. I think that this method is reliable and valid for my study as I can talk to people who actually deal with the subjects of my study in their everyday

working life. They will surely be able to provide me with sufficient information on the matters.

I think a face-to-face semi-structured interview will be better than via email or something else. Email might not work for busy people and with a face-to-face interview I can ask additional questions. A semi-structured interview is a good tool for interviewing a person in a formal manner with carefully constructed questions that follow a certain order. When asked the same questions from all interviewees, a semi-structured interview is handy for providing comparable data. The questions however, may be a bit open-ended allowing the interviewee to stray from the order. Hence, it would be advisable to record the interviews. A semi-structured interview gives room for in-depth discussion but may not be as reliable as a data-based research. The interviewee might not remember everything clearly and the interviewer cannot know for sure if the interviewee is lying or not. I still think that this method is the most suitable for my thesis; therefore I am going to trust my interviewees. (Website of Robert Wood Johnson Foundation 2008; Website of Sociology 2012)

I will write down the answers I get as well as record the interviews so that nothing will get missed. I have written down well-structured interview questions for both Finnish and Japanese contacts (found in the appendices). I decided to form the questions with the help of the theory I have already written. I was especially interested to know how my interviewees pay attention to verbal and non-verbal communication as well as the way cultural differences are shown.

I started my interviews with basic questions about the interviewee's title, field and the relationship he/she has with either Japanese or Finnish people in terms of business. Then I moved on to communication and cultural differences trying to find out what the main problems are in communication and what similarities the Japanese and Finns share. I had the chance of interviewing two Finnish employees of Tikkurila Oyj, Mr. Thomas Söderholm, Key Account Manager, and Ms. Milla Koukkunen, Business Development Coordinator. I interviewed two sales managers from Metso Paper Oy – Mr. K. Sorsa and the other person shall remain anonymous - and their two Japanese colleagues; Sales & Marketing Manager, Mr. Makoto Saito, and Vice President, Mr. Akihito Nagano from Metso Paper Japan Co.

I decided to interview Tikkurila employees because I did my internship there and had contact with their Japanese customer a few times. Tikkurila Oyj is a paint company providing its customers with lasting solutions for surface protection and decoration. It has production in 8 countries and sales companies in 20 countries. Its revenue in 2010 was 588.6 million euros and 84% of that amount was based on decorative paints sales. (Website of Tikkurila Group 2011)

According to Key Account Manager T. Söderholm and Business Development Coordinator M. Koukkunen (personal communication on 17.11.2011) Tikkurila Oyj has been in contact with their Japanese customer Sun Color since 2005. Tikkurila sells mostly wood paints to Sun Color, which then distributes them forward in Japan, mainly to log house manufacturers.

I chose Metso Paper Oy as my other case company since they are in contact with Japanese people a lot and because I could get into contact with its employees easily as both my parents work there. Metso supplies sustainable technology and services for construction, mining, power generation, automation, recycling and pulp and paper industries. It operates in over 50 countries. Its revenue in 2010 was 5,552 million euros. 45% of Metso's net sales comes from the services business. (Website of Metso 2012)

According to Sales Manager K. Sorsa of Metso Paper Oy Järvenpää and his colleague - also Sales Manager, who as requested shall remain anonymous – (personal communication on 05.01.2012 and 19.01.2012) Metso Järvenpää has had Japanese contacts for over 30 years. Contact is mainly made with their subsidiary (Metso Paper Japan Co., Ltd.), and a commercial house (considering finance matters and such).

6   RESEARCH FINDINGS

In this chapter I am going to talk about the answers I got from the interviews a.k.a. my research findings. First I will have a look into the Finnish business culture through the eyes of Mr. Saito and Mr. Nagano (as introduced in chapter 5). After that I will write down Finnish business people's views on the Japanese. This way will reveal if the theory I wrote on these cultures will correspond to the interview findings. Finally, the answers will help resolve difficult situations between the two cultures and come up with ways to develop communication.

6.1   Japanese views on Finnish business culture

According to Marketing & Sales Manager M. Saito and Vice President A. Nagano of Metso Paper Japan Co. (personal communication on 28.11.2011), they have been in daily contact with Finns a few years. Contact is usually made via email, but phones are also used in urgent matters in addition to 4-5 visits to Finland per year. Their Finnish colleagues pay visits to Japan every two weeks. Hence communication is frequent so the two Japanese businessmen have had lots of experience of communicating with Finns and thus shared some good observations on the Finnish business culture.

Cultural differences are shown in business communication with Finns even though Finns are rather similar communicators to the Japanese. Both cultures have different histories and traditions and Finns do not seem to understand the Japanese need for detail and perfection. Communication takes time and sometimes cultural differences lead to misunderstandings or perception differences. Finns tend to be more logical than the Japanese and discussions are more straightforward with a lot of repetition. Sometimes the Japanese have to change the way they talk and get into a "Finnish mindset". Finnish non-verbal communication is difficult to understand even though it is a bit less subtle than the Japanese one. If the communicating counterparts are familiar with each other communicating is easier. First time encounters with Finns can be a bit hard for the Japanese as familiarity is highly valued. (Nagano & Saito, personal communication on 28.11.2011)

In a face-to-face situation adaptation to the Finnish culture is a good way to communicate. "When in Rome"-mentality is mixed with Japanese features as it is important for communication to be proud of one's own culture. In order to talk business with Finns the Japanese have to be open-minded, tolerant and have a reactive mindset (see 4.2.3). Disagreements are sometimes expressed directly even though it is not the way of the Japanese, but because Finns understand it better. Relationships are maintained through daily contact and often with the same familiar person/persons. (Nagano & Saito, personal communication on 28.11.2011)

The similarities that Finns and the Japanese share are honesty, shyness, cautiousness and being good people (meaning politeness, hospitality etc). The biggest difference is Finnish directness, which can be a little insulting for the Japanese who are vaguer. Time consuming in Japan is more fast speed when in Finland it is slower with vacations and such. Finns also tend to value individualism and independency over group harmony and teams that are important for the Japanese. (Nagano & Saito, personal communication on 28.11.2011)

According to Vice President A. Nagano and Sales & Marketing Manager M. Saito (personal communication on 28.11.2011) there have not been very many difficult situations with Finns. The only things they could think of were first encounters after which things started working smoothly and the fact that so many Finns are on holiday in July when reaching people is difficult. The success is that misunderstandings have turned into mutual understandings thanks to frequent communication. They were also happy about successful meetings with their Japanese customer in Finland.

When it comes to socializing in Finland, sauna invitations are quite common to receive. Sauna is good for Japanese mentality as they have an appreciation of hot baths themselves. Sometimes Finns arrange other activities for their Japanese colleagues, such as skiing and other winter sports. Life after work is also different in Finland as Finns have more time at home with the family and do not discuss work related issues at dinner. (Nagano & Saito, personal communication on 28.11.2011)

Communication between Finns and the Japanese could be further developed step by step with a lot of face-to-face gatherings and relationship building. Both cultures should find out more about each other's cultures and talk more. The Japanese should understand Finnish flexibility and Finns should find a way to understand Japanese people better. (Nagano & Saito, personal communication on 28.11.2011)

6.2   Finnish views on Japanese business culture

Tikkurila's contact with its Japanese customer has decreased in recent years. The main contact is made through orders and deliveries via email a few times per year, and through customer inquiries and express orders 1-2 times a month. A couple of years before, annual visits to Japan used to be made in addition to email contact. However, both interviewees of Tikkurila have or have had more contact with the Japanese than with working in Tikkurila. Mr. T. Söderholm has worked for Finpro in Japan previously helping Finnish companies to do business with the Japanese, and Ms. M. Koukkunen has also lived in Japan for some time. (Koukkunen & Söderholm, personal communication on 17.11.2011)

Mr. K. Sorsa of Metso is in daily contact with the Japanese via email, sometimes by phone and even face-to-face visits are paid frequently as he has been to Japan for about 60 times. The other Sales Manager – I shall refer to him as interviewee X - is in contact with the Japanese through projects and translations, but otherwise being inactive with Japan as his work area orients to Europe. However he too has been more involved with the Japanese having worked in Japan for one summer. (Sorsa & Interviewee X, personal communication on 05.01.2012 and 19.01.2012)

Emailing with the Japanese is probably the most important means of business communication since the Japanese like to have written documents they can refer to later on. They also think that things that are put in writing are things that are agreed on. Sometimes written summaries are made about phone discussions as well in order to avoid any misunderstandings. This shows that the Japanese are very specific and pay close attention to detail. (Koukkunen & Söderholm, Sorsa & Interviewee X, personal communication on 17.11.2011, 05.01.2012 and 19.01.2012)

The Japanese never say 'no' directly, so they do not really give clear straightforward answers. Especially the senior employees of a company find it very hard to say 'no' to a customer's request and therefore often do as the customer wishes. The word 'yes' means that a Japanese person is listening and understands, when the word 'maybe' can often be interpreted as denial. (Koukkunen & Söderholm, Sorsa & Interviewee X, personal communication on 17.11.2011, 05.01.2012 and 19.01.2012)

The Japanese are very humble as a nation and their own culture and traditions are very strongly presented. For example a foreigner should keep in mind that losing face is a taboo in Japan and therefore difficult matters should be presented cautiously and softly. Special attention should be paid to apologies and politeness. Others should be taken into account and one can never overuse the words 'sorry' and 'thank you' with the Japanese. (Koukkunen & Söderholm, Sorsa & Interviewee X, personal communication on 17.11.2011, 05.01.2012 and 19.01.2012)

Business meetings with the Japanese differ from western meetings in many ways. Before meeting with the customer there is a pre-meeting with the company's own people or with a subsidiary/parent company where the basic issues and ideas to be presented to the customer are discussed. In order to build relationships there is often an arbitrator introducing the two parties of a meeting to each other. Matters are talked through first internally in Japanese after which the main negotiators aka the bosses give their answers following the Japanese discussion order. This is due to hierarchy where the seniors talk more and their word is the law. Meetings often last for a long time since everything is explained first in English and then in Japanese allowing the Japanese – assuming they speak English - to hear everything twice. Sometimes the seniors might interpret things according to their liking. (Koukkunen & Söderholm, Sorsa & Interviewee X, personal communication on 17.11.2011, 05.01.2012 and 19.01.2012)

In a face-to-face contact with the Japanese it is good to pay attention to some Japanese features, such as the business card ceremony (see 3.1), politeness and even saying a couple of words or phrases in Japanese is a great way to give a good first impression. Bowing down is only good if one knows the correct way of doing it.

Adaptation to communicating with the Japanese is quite natural for a Finn as both are reserved, silent and shy. There is a kind of mutual respect between the two cultures so it is fine just to be yourself but be careful and humble when expressing disagreement. (Koukkunen & Söderholm, Sorsa & Interviewee X, personal communication on 17.11.2011, 05.01.2012 and 19.01.2012)

Questions and proposals should be presented clearly, but not very directly using words like 'could' and 'perhaps' and with the help of facts and figures. Disagreements should be expressed softly and in an apologetic tone never using the word 'no' directly. Relationships are taken care of by frequent visits and occasional greeting cards. Without any face-to-face contact, companies aren't taken seriously in Japan. (Koukkunen & Söderholm, Sorsa & Interviewee X, personal communication on 17.11.2011, 05.01.2012 and 19.01.2012)

My interviewees all agreed that the Japanese body language is hard to interpret due to its minimalism. However, it is important to pay attention to even though it is rather time consuming. As the persons get more familiar with each other body language is easier to follow. The Japanese are known for their poker-face but they do laugh and smile just like everyone else. However, they like to laugh more to themselves than to any jokes they might hear. (Koukkunen & Söderholm, Sorsa & Interviewee X, personal communication on 17.11.2011, 05.01.2012 and 19.01.2012)

The Finnish interviewees found a lot more similarities between the two cultures than the Japanese interviewees. These features include humbleness, shyness, reservation, silence, trust after familiarity, sincerity, non-aggressiveness, losing face, no small-talk, importance of nature, high work morale, guts or "sisu", punctuality, engineer mentality and even language as they are both pronounced similarly using the same kind of rhythm and the fact Finnish and Japanese are both quite isolated from bigger language groups. The biggest differences are directness (Finnish), individualism (Finnish), hierarchy (Japanese), superficiality (Japanese), group-orientation (Japanese), self control (Japanese), working hours, availability, creativity and the amount of workforce and people. (Koukkunen & Söderholm, Sorsa & Interviewee X, personal communication on 17.11.2011, 05.01.2012 and 19.01.2012)

If there are any difficult situations with the Japanese, e.g. disagreements or mistakes, one must be careful not to embarrass anyone or make anyone lose face. Disagreements should be explained thoroughly and with time. Mistakes should be talked through privately in order to avoid embarrassment. If a Finnish person makes a mistake he/she should provide the Japanese contact with a clear explanation on the matter and apologize deeply a few times. Even if the mistake in question didn't even involve the Finnish contact him-/herself, he/she is still required to apologize as a representative of the whole company. (Koukkunen & Söderholm, Sorsa & Interviewee X, personal communication on 17.11.2011, 05.01.2012 and 19.01.2012)

After work socializing is very important for the Japanese. As a matter of fact, work related issues are still discussed over dinner and it is an important part of relationship building. Drinking is also involved and whatever one might say that night, it is not to be spoken of the next day. A Finn should be careful not to drink too much though; it's better not to make mistakes. After dinner there is often karaoke. The Japanese are great karaoke enthusiasts and there are a lot of different types of karaoke bars in Japan. Whether a person can sing or not is irrelevant. The most important thing is that everyone participates. The senior members of a company are more likely to choose karaoke as a means of socializing whereas the younger ones favor trendy restaurants. (Koukkunen & Söderholm, Sorsa & Interviewee X, personal communication on 17.11.2011, 05.01.2012 and 19.01.2012)

All in all, Finnish people do not have any great problems with the Japanese and they do better with them than Anglo-Saxon cultures. However, there is always room for improvement so I asked my interviewees how they think communication with the Japanese could be further developed. Once again, they all had a shared opinion. The Japanese should be more fluent in English or there should be a common language between the Japanese and Finns to avoid misunderstandings. Both cultures should be more involved with foreigners in order to learn. Both should bring out their own strengths and be more proud of their own cultures. Relationship building is crucial, so especially Finns should be really active in that area. Taking advantage of the similarities between the two cultures in social situations could be a real asset. Simple things like openness and the right attitude are the key factors for creating trust.

(Koukkunen & Söderholm, Sorsa & Interviewee X, personal communication on 17.11.2011, 05.01.2012 and 19.01.2012)

7   CONCLUSIONS

Business between Finnish and Japanese companies has been increasing with rapid pace throughout recent years. Both countries are experts in technology and the two cultures have a great respect for nature. Nowadays people in general are paying more and more attention to environmental issues due to different natural disasters. Creating new alternative ways by the means of technology for companies to preserve nature and put less strain on it is just one of the many things these two high-tech countries could learn from one another. Thus, business between the two ought to be ongoing and ever improved. However far away from each other, Japan and Finland have a lot of similarities, which facilitate making contact. The most important thing in making contact is communication.

Japan shares a lot of its cultural values with its Asian neighbors whereas Finland naturally appreciates western values. However, Finns and the Japanese seem to get along with each other more easily than expected. Perhaps it is because of the sense of isolation from the rest of the world. Japan is an island state not quite like China or Korea with a different language and different life style. Finland on the other hand is overshadowed by Russia and its Scandinavian neighbors, not really belonging in the West-European language groups but also being different from the eastern ones. This creates mutual understanding between the two cultures and might also be the source of humility that characterizes the Japanese and Finns so well.

Hence, it is a fact that people of these cultures get along with each other. I think the theory I gathered supports the findings from the interviews quite well since there were hardly any contradictions. Japan is a continuously growing country with ever increasing contact to the western world and because Finns as communicators can

relate to the Japanese so well, there is no reason why business between them should be decreased.

It is true that the Japanese don't like Finnish frankness and don't always understand their body language. Experience has taught them to think of these differences from a western mindset and build a kind of "when in Rome" mentality. This is the same with Finnish people when dealing with the Japanese, only vice versa. Finns try to be extra polite and respectful towards the Japanese and their traditions. It is good to remember though, that Finns can never be Japanese and the Japanese can never be Finns. Therefore it is important to maintain one's own cultural features and be proud of them. Open-mindedness and respect are the keys for enhanced communication.

As the interview results show there is only little room for improvement. Finding a mutual language and being open to foreign cultures are what both Finns and the Japanese should embrace in their quest for enhancing communication. Relationship building ought not to be underestimated by Finns as it is the best means of creating trust and keeping up business with the Japanese. Sharing their cultural similarities could bring the two cultures even closer to each other.

The most important research findings in my thesis were the fact that the interviews supported the theory so well through being able to gather the personal experiences of individuals from both cultures and the fact I could answer all my research questions. Even though the communication patterns of Finns and the Japanese are so much alike the two are culturally very different. Values and attitudes in the business world vary greatly between these cultures; therefore newcomers should not take the easiness in communication for granted before studying the countries' cultural backgrounds. Accidental behavioral errors can happen if one refuses to familiarize oneself with a given culture.

REFERENCES

Bartlett, C. 2006. Communicating across cultures. Training of the export department of Tikkurila Oyj 24.11.2006.

Brannen, C. & Wilen, T. 1993. Doing Business with Japanese Men: A Woman's Handbook. California: Stone Bridge Press.

De Mente, B. L. 1995. Japanese etiquette & ethics in business (6th Edition). Illinois: NTC Business Books.

Evl.fi. 2011. Luterilaiseen kirkkoon kuuluu 78,2 prosenttia suomalaisista. Referred 02.11.2011.
http://evl.fi/EVLUutiset.nsf/Documents/959955AEA9D43EDFC22578290040F985?OpenDocument&lang=FI

Fintra: Kansainvälisen kaupan koulutuskeskus. 1998. Kulttuureja ja käyttäytymistä: Aasia. Helsinki: Fintra

Geertz, C. 1993.Religion as a cultural system. Fontana Press. pp. 87-125. Referred 14.04.2011.
http://isites.harvard.edu/fs/docs/icb.topic152604.files/Week_4/Geertz_Religon_as_a_Cultural_System_.pdf

Griffin, R. & Pustay, M. 2007. International Business (5th Edition). New Jersey: Pearson Education Inc.

Hampden-Turner, C. & Trompenaars, F. Time Concept. Riding the waves of culture. 1998. p 125-126

Hofstede, G. 2009. Cultural dimensions. Referred 14.04.2011. http://www.geert-hofstede.com

Interviewee X. 2012. Sales Manager, Metso Paper Oy. Järvenpää. Personal communication on 19.01.2012

Japan-101. 2005. Order and Status in Japan – The Public Sphere. Referred 03.11.2011. http://www.japan-101.com/culture/public_sphere.htm

Japan-Guide. 2011. Religion in Japan. Referred 02.11.2011. http://www.japan-guide.com/e/e629.html

Keskuskauppakamari. 2011. Business Culture in Brief. Referred 03.11.2011.
http://www.keskuskauppakamari.fi/Julkaisut/Muut-julkaisut/Contact-Finland2/Editorial-Section/Finnish-business-culture

Kopp, R. 2008. Socializing in Japan. Referred 04.11.2011. http://www.export-japan.com/jcu/sample/index.php?page=socializing-in-japan

Koukkunen, M. 2011. Business Development Coordinator, Tikkurila Oyj. Vantaa. Personal communication on 17.11.2011

Kwintessential. 2010. Finland – Language, customs, culture and etiquette. Referred 04.05.2011. http://www.kwintessential.co.uk/resources/global-etiquette/finland-country-profile.html

Lehtipuu, U. 2010. Kulttuuriälykäs bisnesviestijä Aasiassa ja Amerikassa. Porvoo: WS Bookwell Oy.

Lewis, R.D. 2005. Finland, Cultural Lone Wolf. Maine: Intercultural Press Inc.

Maes, B. 2010. What Makes Education in Finland That Good? 10 Reform Principles Behind the Success. Referred 03.11.2011. http://bertmaes.wordpress.com/2010/02/24/why-is-education-in-finland-that-good-10-reform-principles-behind-the-success/

Marukhnyak, O. 2011. The Perception of Time. Referred 03.11.2011. http://www.scribd.com/doc/24699041/Perception-of-Time-in-Different-Cultures

Metso. 2012. Metso in Brief. Referred 09.02.2012. http://www.metso.com/corporation/about_eng.nsf/WebWID/WTB-041026-2256F-55957?OpenDocument

Nagano, A. 2011. Vice President, Metso Paper Japan Co., Ltd. Järvenpää. Personal communication on 28.11.2011

Najafbagy, R. Problems of Effective Cross-cultural Communication and Conflict Resolution. Palestine-Israel Journal of Politics. Economics & Culture. 2008. Vol 15/16. Issue 4/1, p146-150, 5p.

Otsubo, M. A Guide to Japanese Business Practices. California Management Review. Spring86, Vol. 28. Issue 3, p28-42, 15p.

ProvenModels. 2011. Seven dimensions of culture. Referred 14.04.2011. http://www.provenmodels.com/580/seven-dimensions-of-culture/charles-hampden-turner--fons-trompenaars

Pukkila J. 2002. Bisneskohteena Japani. Helsinki: Multiprint Oy.

Robert Wood Johnson Foundation. 2008. Semi-structured interviews. Referred 29.02.2012. http://www.qualres.org/HomeSemi-3629.html

Rowland D. 1990. Liikematkalle Japaniin. Helsinki: Painokaari Oy.

Saito, M. 2011. Sales & Marketing Manager, Metso Paper Japan Co., Ltd. Järvenpää. Personal communication on 28.11.2011

Segal J. 2010. The Language of Emotional Intelligence. Referred 13.05.2011. http://helpguide.org/mental/eq6_nonverbal_communication.htm

Sorsa, K. 2012. Sales Manager, Metso Paper Oy. Järvenpää. Personal communication on 05.01.2012

Sociology. 2012. Research Methods. Referred 20.03.2012.
http://www.sociology.org.uk/methfi.pdf

Söderholm, T. 2011. Key Account Manager, Tikkurila Oyj. Vantaa. Personal
communication on 17.11.2011

Tikkurila Group. 2011. Tikkurila Oyj – About us. Referred 09.02.2012.
http://www.tikkurilagroup.com/about_us/

Via-Web. 2011. XV. Confucian work dynamism. Referred 03.11.2011.
http://www.via-web.de/confucian-work-dynamism/

WePapers. 2009. Social Structure and the Family in Modern Japan. Referred
02.11.2011.
http://www.wepapers.com/Papers/18211/Social_Structure_and_The_Family_in_Mod
ern_Japan

Windmeyer L. 2009. Doing business in Finland. London: Communicaid Group Ltd.

WorldBusinessCulture. 2011. Doing business in Finland. Referred 04.05.2011.
http://www.worldbusinessculture.com/Business-in-Finland.html

Interview questions

- What is your name and title in the company?
    - What are your main responsibilities and tasks?
- What are your company's operations with Metso Paper Finland?
- How long have you had Finnish contacts?
- How often are you in contact with Finns?
- By what means is communication generally and mainly made with Metso Finland?
- Are cultural differences shown in business communication with Finns?
    - Do they affect communication?
- Do you have to pay attention to some specific details in communication with Finns?
    - Eg. Do you phrase your words differently with Finns?
- Are you trying to adapt to the Finnish business culture or are you trying to bring out your own cultural features when communicating face-to-face with Finns?
- How do you make suggestions/propose contracts etc with Finns?
    - How do you express disagreement?
    - How do you maintain relationships?
- Do you pay attention to body language (your own and that of Finns)? Do you find it important?
- Do you find it difficult or easy to understand Finns in terms of verbal and non-verbal messages?
    - Reasons?
- What similarities do Finns and the Japanese share? What differences?
- How are difficult situations handled with Finns? Examples?
- How could communication with Finns and the Japanese be further developed?
- What do you think about sauna invitations? Have you received any?
    - Did you participate?

- o How did you find it as a means of socializing?
- o Do you have any other examples of socializing with Finns in Finland?

- Kuka olet?
    - titteli, vastuualueet, tehtävät
- Keitä japanilaiset kontaktit ovat?
    - titteli, työalue
- Mitkä ovat yrityksen toiminnot japanilaisten kanssa?
- Kuinka pitkään yrityksellä on ollut japanilaisia kontakteja?
- Kuinka usein olette yhteydessä heihin?
- Millä tavoin (välinein) japanilaisten asiakkaiden/kollegoiden kanssa yleensä ja pääasiallisesti kommunikoidaan?
- Näkyvätkö kulttuurierot jotenkin kommunikaatiossa japanilaisten kanssa?
    - Vaikuttavatko ne jotenkin kommunikaatioon?
- Täytyykö jotakin ottaa erityisesti huomioon kommunikoidessa?
- Eroaako liikeneuvottelu japanilaisten kanssa jotenkin suomalaisesta?
- Yritätkö sopeutua japanilaiseen businesskulttuuriin vai tuotko omia suomalaisia tapojasi esille lähikontaktissa japanilaisten kanssa?
    - esim. käyntikortit, kumarrukset, puhuttelu
- Miten muotoilet kysymykset/ehdotukset yms? (suoraan vai japanilaisten tapaan kierrellen)
    - Miten ilmaiset erimielisyytesi?
    - Miten pidät yllä kontakteja/ihmissuhteita?
- Kiinnitätkö huomiota kehonkieleen? Onko se mielestäsi tärkeää?
- Onko mielestäsi helppoa seurata japanilaisten kehonkieltä? Vaikeuksia?
- Mitä yhtäläisyyksiä suomalaisissa ja japanilaisissa on? Mitä eroja?
- Miten käyttäydytään vaikeissa tilanteissa ja miten niistä selvitään? Esimerkkejä?
- Miten kommunikaatiota voitaisiin kehittää?
- Oletko ollut Japanissa ja onko sinua kutsuttu työn jälkeisiin tilaisuuksiin?
    - karaoke, illallinen, baari tms