

Adapting the MGA for Negotiating with Japanese Counterparts

Background

Nowadays, commentators on Japanese popular media often say, ‘the postwar era is over’. The state-led economic recovery from devastation after World War II was almost like a miracle. Harvard professor Ezra Vogel published a book titled *Japan as Number One*, describing Japan as the pinnacle of the world economy (Vogel 1979). The Plaza Accord in 1985 suddenly made the Japanese yen valuable against other currencies. Japanese real-estate giants frantically sought investments in Australia and the US.

Those days are gone. After the ‘bubble’ burst in the mid-1990s, the business environment in Japan has transformed from the pre-bubble era.

Over the years, a number of foreign-owned companies have entered the Japanese market: by 2014, 3,151 foreign-owned (*gaishi-kei*) companies were operating in Japan (METI 2015). Japanese manufacturers also started to set up their regional headquarters in Australia, as well as in the United States and Europe, for distributed production and better business management in these markets. Nowadays, Tokyo competes fiercely with Singapore and other Asian cities to host the regional headquarters of multinational corporations. Major manufacturing firms and the financial sector have become quite internationalised.

The change is also visible at the individual level. The number of individuals who study abroad has increased substantially since the mid-1990s, thanks to the favorable currency rate. Now approximately sixty thousand young Japanese study abroad every year (MEXT 2015). Australia is one of their favorite destinations, with approximately six thousand university students visiting every year, along with thirty thousand high school students making a short-term visit (MEXT 2014). This trend now has a significant impact on doing business with Japan, because a substantial portion of Japanese businesspeople have experienced studying and living abroad.

These trends, however, do not eliminate the need for careful attention to Japanese cultural influences on negotiating behaviors. A recent interview with an Australian businessperson revealed that subtle differences in business culture can be perplexing to those negotiating with Japanese for the first time.

For instance, many Japanese people seem insecure about their ability to negotiate successfully in an international context. If you Google the Japanese word *kosho* (‘negotiation’), it automatically suggests *heta* (‘poorly skilled’). This self-perception may make it more difficult for you to predict how your Japanese counterparts might act in a negotiation. They may become overly defensive and adopt a hard bargaining approach out of a belief that their typical approach is too ‘soft.’ You need to be well prepared to guide such Japanese counterparts into a more principled and productive approach.

In this section, we review lessons from the literature of the 1980s that address traditional Japanese ways of negotiating, as well as experimental findings from the 1990s, while keeping in mind that the business environment has changed significantly in the last two decades. We describe relevant findings that bear on the four stages of the MGA and raise issues relevant to adapting this approach when negotiating with Japanese business partners.

Preparation

High-Context

Some consistent themes emerge from the literature, chiefly the importance of preparation. Negotiators should complete several key tasks before coming to the table. First, spend additional time and resources to study the potential partners' business. Anthropologists such as Edward Hall, who has studied negotiation in different cultures, point out that Japanese negotiation is highly 'contextual'. When people communicate in a high context culture, 'they take for granted how much the listeners know about the subject under discussion' (Hall and Hall 1987: 158). Accordingly, Japanese negotiators will have researched Western organizations and will expect their Western counterparts to have done the same (Gercik 1992).

Second, be careful when setting the stage for negotiation. Generally, 'high-context people in their own environment don't like to be told how to do things, including how to order their facts. European logic is perceived as intrusive by Japanese, as an attempt to get inside other people's heads and do their thinking for them' (Hall and Hall 1987: 120). Therefore, Australian negotiators should be tactful when making suggestions about how a negotiation should proceed. They should frame process proposals as suggestions, not as demands or as the 'right' way to do things. Another option is to convey your process preferences indirectly to the other side before the first meeting, as part of an initial information exchange. For example, an information packet provided to the other side might include a brief description of the MGA.

Understanding Roles and Responsibilities

Japanese businesspeople will usually expect negotiators to understand and manage the needs and perceptions of stakeholders within their organizations. Because consensual decision making is an important part of the organizational culture in Japanese companies, it is expected that each representative at the table will seek and achieve consensus among stakeholders who are not at the table. In Japan, the ability to orchestrate a consensus within an organization is a highly valued leadership skill (Hall and Hall 1987).

More specifically, the ability to build consensus 'behind the scenes' is known as *nemawashi* and is highly valued in Japanese business practice (Hall and Hall 1987; March 1988; Hodgson, Sano and Graham 2000; Blaker, Giarra and Vogel 2002). *Nemawashi* is about setting expectations and reconciling and integrating differing interests within one's own organization. When done well, *nemawashi* prepares negotiators to suggest mutually beneficial proposals and helps to prevent unwanted surprises during a negotiation. Prior to meeting with the other side, effective Japanese negotiators will have identified and involved relevant stakeholders within their organizations, built consensus around their interests and priorities, and helped to manage expectations. Because *nemawashi* is such an important process in Japanese business, it can be critical for negotiators to determine if their Japanese counterparts are truly able to commit their organizations to different proposals or options.

In some cases, your Japanese counterpart might bring in a large team, much larger than yours, to the negotiating table. It is not their strategy to intimidate your side. Instead, staff members from different subunits of the organization are participating in the meeting in order to be fully informed about the negotiation. You might think it would be more efficient to send only a limited number of staff to the table, but the high-context culture demands that all relevant departments be fully informed about the negotiation, including its atmosphere. It is the Japanese way of saving time for *nemawashi* inside the organization.

Unfortunately, it can be very difficult to determine the other side's *nemawashi* skills at the outset of a negotiation. You might want to check the status of your negotiating counterpart in the company's organizational structure in order to assess how she or he is communicating with the real decision makers throughout the negotiation.

Managing Status

Western negotiators must be particularly attentive to social status in negotiating with Japanese counterparts, because status can be selectively deployed as a source of negotiating power (Brett *et al.* 1998; Brett 2001). Those with a higher status are generally accorded a larger share of gains that are created. Status also informs appropriate negotiating behaviors. It is crucial that those with a lower status follow certain rules in order to avoid offending the other side. Status can be defined by age, experience and other attributes. To some degree, it is also determined by role. For example, buyers in Japan sometimes enjoy greater status than sellers (Graham 1993; Hodgson, Sano and Graham 2000).

Concerns over status are important to keep in mind as you manage relationships with negotiators on the other side.¹ Sometimes, senior officials or supervisors might be present at the beginning of the first meeting. Do not assume that they will participate substantively; they may have come to the meeting just to deliver a welcome. In such situations, to attempt to negotiate substantive issues directly with the supervisors is to risk offending or humiliating the junior staff. When both supervisor and staff are present, try to understand the relationship between them, and use it to help estimate your counterpart's influence within his or her company. If you are unsure about the other side's organizational structure, seek the advice of a third party who is familiar with it. Indeed, as discussed in the next section, the use of third parties at the preparation stage can be critical in 'setting the table'.

Using Intermediaries

The MGA suggests that working with neutrals can help the negotiator to discover interests that parties are reluctant to share with one another, to float possible options for joint gain, and to find fair ways of distributing the 'pie'. In negotiating with a new Japanese business partner, however, it can also be important to involve a third party at the outset. That person does not have to be strictly neutral in the eyes of the parties, but he or she has to be adequately acquainted with both parties. This person is sometimes referred to as *sho-kai-sha* ('introducer') or *chu-kai-sha* ('middleman') (Hodgson, Sano, and Graham 2000). The middleman usually makes the first contact, upon the request of one party to the other. Sometimes the middleman is consulted by one party and matches the party with another who can best address the issue. Occasionally, the middleman appears at the first meeting to introduce the two parties. The middleman can facilitate the development of a relationship between parties by confirming each party's credibility, assuring – implicitly or explicitly – that each person or organization is a reputable potential partner. Using a middleman is not a requirement (notwithstanding that assertion in some literature on Japanese negotiation), but it can be of critical importance if you need to establish your credibility with the other party (March 1988; Graham and Sano 1989).

Creating Value

First Meetings: Rituals and Small Talk

In movies and television, Japanese businesspeople often repetitiously bow for no apparent reason. In reality, interactions between Japanese managers are typically more casual than these 'pop culture' depictions. Nevertheless, such rituals still matter in Japanese society and are used to acknowledge the vertical nature of the relationship between two negotiating parties (Nakane 1970; Hall and Hall 1987). As mentioned earlier, Japanese negotiators prepare thoroughly and usually understand the relative strengths or weaknesses of the parties' respective Best Alternatives to a Negotiated Agreement (BATNAs). When negotiating parties are not on an equal status, these ritualistic moves

¹ Saving face is an important mechanism for maintaining the hierarchical status-based society, although it may be less important for Japanese than Chinese (Cocroft and Ting-Toomey 1994, Oetzel *et al.* 2001).

are initiated by the weaker party to acknowledge this power differential and to express gratitude for the negotiation. If you choose not to initiate ritualistic moves, this suggests you think you are equal to or higher in status than your counterpart. Therefore, it is important to understand your status relative to your counterparts before the first contact. A middleman can help prepare parties to understand differences in power and leverage and can help prepare them to acknowledge such differences using appropriate rituals. If you are unsure about your own status, it is safe to be as polite as the other side is, but being overly polite in Japan can ruin your established status if you have one.

Once bowing or other rituals have been completed, Japanese managers sometimes begin informal discussions on matters unrelated to the subject of negotiation (Graham and Sano 1989). These informal discussions are used to assess the role and character of counterparts and to gather information about perceptions of the market in general.

Such conversations may seem tangential, and questions may not seem directly relevant to the issues at hand (Graham and Sano 1989), but there are business benefits of such fact-gathering (March 1988). Japanese businesspeople use information gained about products, companies and the market to locate potential business partners, improve alternatives away from the table and assess the other side's alternatives. The more one knows about the market, the greater the chance of identifying attractive 'walkaway' alternatives to agreement in advance of a particular negotiation.

Creating a Comfortable Environment for Value Creation

The Japanese, in general, tend to be very sensitive to context and behave according to the situation they are embedded in. One model for understanding Japanese negotiation behavior focuses on two key contextual variables: '*uchi-soto*' and '*omote-ura*' (Lebra 1976). *Uchi* ('inside')-*soto* ('outside') refers to how an individual feels about others in the same place, whether they are 'inside' or 'outside' the group that the individual belongs to. So, if you are talking with family members or colleagues at work, you are most likely in an *uchi* situation because of feelings of connection and belonging. *Omote* ('front')-*ura* ('back') refers to the degree of public attention or exposure you feel in a given situation. Any situation in which you feel the attention of the public is *omote*. If you are not the focus of attention, you are in an *ura* situation. Combinations of these two variables help determine how Japanese negotiators are likely to interact.

This model can be useful in preparing for a negotiation with Japanese businesspeople; it suggests that negotiations are most likely to be fruitful if conducted in an *ura* setting, in which you develop an intimate *uchi* relationship with others so you can engage the other side in an interest-based negotiation. Otherwise, responses from Japanese parties can become ritualistic (i.e., they will assume a positional bargaining strategy) or anomic (i.e., they will show no interest in sharing joint gains). Crafting and maintaining the *ura-uchi* situation requires an intricate attention to the negotiation setting.

First, it helps to share an *uchi* feeling with the other side. That is often achieved by engaging in conversations or sharing in activities. Social activities, such as going out for a dinner together, going out for a drink after five, or golfing together, are sometimes used to generate such a feeling, although these extra-business activities have recently become less common. The traditional practice of exchanging small gifts (Kumayama 1991) is also a way of creating such a bond in the meeting room.

Second, the negotiation needs to be conducted in an *ura* setting, such as a private meeting room where everyone can be sure that no one else can overhear. It can sometimes be effective to hold meetings or phone conversations without supervisors present, as that can also create the sense of *ura*.

Ura-uchi situations occasionally create too much dependence between negotiating parties, resulting in collusion and unethical business practices. However, making the other party feel comfortable and building a strong relationship can help build the trust required to share interests more candidly. Such candor is more likely to lead to the discovery of mutually beneficial options.

Exploring Interests

As mentioned earlier, Japanese negotiators have usually gathered lots of information by the time they come to the first meeting. Therefore, they are less inclined to start a negotiation by laying out the facts and procedures (Hall and Hall 1987). They expect that all parties will have done their homework and may construe spending too much time on basic assumptions as a waste of time or as a sign of inadequate preparation. This does not, however, mean that negotiation should begin with the discussion of pricing, as Westerners frequently do (Graham 1993). Indeed, the first phases of a negotiation in Japan often proceed slowly and indirectly, which can be frustrating for Westerners who want to come to the point quickly (Hall 1990). Japanese managers listen carefully to the claims of others, and there may seem to be little productive interaction initially (Gercik 1992).

Japanese negotiations often begin slowly because the negotiators want to explore both sides' interests before discussing the final agreement. Seemingly unproductive discussions can be used to grasp the 'big picture' of both organizations, enabling negotiators to identify mutually beneficial trades. A comparative study of behaviors in a buy-sell simulation suggests that Japanese negotiators expect sellers to describe their general situation before price discussions begin (Graham 1993).

For instance, Japanese junior staffers might be very inquisitive during the negotiation process because they are supposed to be fully informed about the issues and be able to answer any questions that their senior decision makers might ask later. You may be frustrated by their reluctance to negotiate the main issues, but be patient. It is a necessary step for them before investing in a long-lasting relationship for mutual gains.

In this respect, the MGA is in many ways consistent with existing norms in Japan. The slow start allows for the exploration of interests and the development of a workable relationship. It presents opportunities for both sides to explore each other's needs and concerns, to formulate options for beneficial trades, and to avoid immediate distribution of a 'fixed pie'.

Negotiation as Joint Problem Solving

Japanese counterparts are more likely than Australians to view negotiation as a cooperative, problem-solving exercise. Some Japanese even consider negotiation as an effort to bend or find loopholes in the rules to realise a common goal (Gercik 1992), but one should not assume this. A cross-cultural study of attitudes toward negotiation suggests that the Japanese tend to see negotiation *not* as something to 'win', as Americans do, but as an area in which to 'compromise' (Gelfand *et al.* 2001: 1067; Morris and Gelfand 2004: 50). Most Japanese do not regard negotiation as something confrontational and competitive. This is good news for those who would like to introduce an MGA or similar approach to Japanese negotiations: you can frame the negotiation with your Japanese counterpart as a joint problem-solving effort for value creation without violating expectations or introducing a new way of thinking about negotiation.

Distributing Value

Power and Status

Relative power and social status, as we noted earlier, can influence 'the division of the pie' in Japanese negotiations because of its general importance in Japanese society (Brett 2001: 48–60). One cross-cultural analysis found that 'Japanese sought to persuade, on the basis of social power, significantly more than Germans or Americans' (Tinsley 2001: 589).

Given this finding, improving one's perceived power may be particularly important in negotiation with Japanese counterparts. In the West, an effective way to gain negotiating power is to improve the perception of one's BATNA. In Japan, however, explicit threats are often considered disgraceful behavior that harm the prospect of any long-term relationship. To display one's power in such a way

is not considered appropriate in the eyes of the Japanese; as a Japanese proverb says, 'The most skilled hawk hides his talons (*nou-aru taka-wa tsume-wo kakusu*).' In Japan's high-context culture, information about both status and no-agreement alternatives is shared indirectly.

A focus on status and power does not mean that parties without a good BATNA must lose in negotiation with the Japanese. As one author notes, 'Americans tend to approach negotiations as a game which they are determined to win. In Japan everybody must win' (Hall and Hall 1987: 117). An international survey supports this characterization of Japanese approaches to negotiation (Salacuse 1998). Value-claiming behavior, and unethical behavior aimed at claiming value, is less prevalent in Japanese culture than elsewhere.

Ongoing Reputation as an Equaliser

The Japanese are considered 'collectivists' who value interdependence, creating close ties among individuals, fulfilling one's duties, and working to achieve the goals of the group or organization (Bazerman, Curhan and Valley 2000: 297; Hofstede 1980). Trying to allocate gains in a negotiation based solely on momentary power can thus be seen as potentially harmful to the relationship. Doing so can earn you a negative reputation that can spread quickly among potential trading partners in the densely networked Japanese society.

To maintain their relationships and reputation, Japanese negotiators will do 'everything they can do to avoid appearing either self-centered or coldly rational' (March 1990: 17). In addition, Japanese negotiators tend to be seen as assuming responsibility for their organizations as a whole (Gelfand and Cai 2004). An individual's failure to maintain an image of social responsibility can mean the loss of other business opportunities for her or his company. Sometimes, a company might even be ostracised from the market. Therefore, one-sided distributions of joint gains are less likely in Japan in any particular negotiation than in the West – even when the parties' power is markedly asymmetric.

Reciprocity: *On* and *Giri*

Distribution-related negotiation behavior in Japan is also affected by the commonly accepted concepts of *on* and *giri*. *On* means something that is given by one party to another without a specific arrangement for repayment. Sometimes *on* is awarded in business negotiations where a partner is at financial risk. Yet it is less a philanthropic gift than a sort of investment.

The feeling of *giri* – indebtedness – requires one to make repayment to the person who gave *on*, especially when the benefactor needs help. If one does not repay, Japanese society regards that person as a socially irresponsible 'free rider'. For instance, in a cross-cultural study of perception about conflicts, Japanese participants viewed conflicts as being laden with violations of *giri* (Gelfand *et al.* 2001: 1070).

When dividing the pie in a negotiation, be mindful of *on*. If given an *on* through an exceptionally favorable deal, assume that you will be required to pay it back later or risk the relationship (and perhaps your reputation). Some organizations intentionally give an *on* in the first deal, and then demand the repayment continuously in succeeding deals. This strategy is known as *on wo wu-ru* ('to sell the *on*'). Here, a strong note of caution is in order: Japanese society is undergoing change, and the social networks that were effective in monitoring specific *on*-related debts have weakened. Using *on wo wu-ru* with small thriving companies, expecting those companies to return the favor in the future, has worked very well in Japan, but in the current Japanese economy, where each company has to compete with foreign competitors that do not care about *on* and *giri*, it may no longer be an adaptive strategy.

Formal Decision Making

Because the Japanese care about internal consensus within organizations, ratification by the organization after reaching a draft agreement between negotiators can be painstaking. In many cases, the negotiator will not have formal authority to sign the agreement. A system known as *ringi* – draft documents slowly working their way through many layers of the organization – can cause delay and require modifications to the draft agreement (Hall and Hall 1987; Hodgson, Sano and Graham 2000). If your counterpart is a skilled negotiator who has managed the *nemawashi* well during preparation, ratification can be completed more efficiently.

But if your negotiating partner is poor at *nemawashi*, you might encounter surprises during the ratification stage. The Japanese counterpart might call to say, 'I'm so sorry. The management won't accept these terms. Please consider instead the following . . .'. This kind of feedback can be extremely frustrating. Sometimes, the negotiator simply could not manage to get the draft agreement endorsed by key management. In other cases, it may be a ploy to elicit concessions; such a ploy is called *naniwa-bushi* strategy (Hodgson, Sano and Graham 2000: 37; March 1990: 23) and is similar to the 'good cop, bad cop' strategy.

Because it is hard to know which might be the case in any situation, it is important to make sure that the other side is continuously communicating with the real decision makers by *nemawashi* throughout the negotiation. As mentioned earlier, it can be effective to orchestrate meetings between counterparts 'one level up' to help break through an impasse. At the same time, it is wise to plan for additional time following the conclusion of negotiations in order for *ringi* to occur.

Use of a Third-Party Neutral to Break Impasses

In cases where a counterpart is demanding extremely unfair conditions in the final agreement, you should first consider consulting with a middleman (*chu-kai-sha*) or someone who is trusted by all parties at the table. If unfair conditions are rooted in the other party's excessive demands, the middleman is likely to assist by admonishing the other side and urging a more equitable division. If the middleman was involved from the outset of negotiation, he or she will have some interest in ensuring a good outcome. A middleman can provide critical assistance during an impasse.

Follow-Through

Long-Term Relationships

Because of the collectivist ethos in Japanese culture, negotiations are rarely one-shot deals. Doing business in Japan is not only about transactions; it entails consensus building as well as relationship building. Some have even suggested that the last step in a successful negotiation with Japanese counterparts is akin asking them, 'Marry me' (Gercik 1992). In other words, the goal is to create an inseparable bond with the other party, a long-term relationship that can be considered as a form of social capital (Putnam 2000) around which commitments are expected to be made and upheld.

Although it can be time consuming and challenging, developing a strong relationship with a businessperson in Japan can have a huge upside: it can become a bridge that allows entry into a dense social network (Burt 1992), with significant business opportunities. In practice, however, it can often difficult for foreigners (*gaijin*) to gain full entry into these webs of tight-knit relationships (Lohr 1982).

Because of the high-context nature of Japanese business, your counterpart might have minimal interest in working on the details of contracting. In Japan, the dense business network still effectively

serves as a monitoring mechanism for ethical misconduct. It is easy to retaliate against an organization that does not keep its promises by circulating bad rumors about the organization and impugning its reputation. In addition, middlemen (*chu-kai-sha*) can serve as third-party neutrals when there is a disagreement. The use of middlemen for this purpose has its roots in Japanese traditions, and is widely accepted. For these reasons, Japanese businesspeople are less worried about drafting written mechanisms for ensuring commitment to the agreement. For them, the density of the Japanese business network, the long-term nature of relationships, and the prominence of reputational concerns are the key mechanisms to ensure follow through.

Conclusion

What might be called ‘traditional’ negotiation in Japan is compatible with the MGA in several important ways. Both approaches emphasise:

- building long-term relationships;
- preparation, including the critical importance of understanding the other party’s interests and BATNAs;
- exploring interests to look for value-creating trades;
- a focus on fairness in distributing gains; and
- using third-party neutrals to enhance communication, resolve disputes and ensure follow through.

Our review suggests that tailoring the MGA for use with Japanese counterparts can be an effective way to create more valuable agreements. Specifically, negotiators should

- spend extra time preparing for negotiations;
- take care to ‘match’ their team to their counterparts’ and to set the stage for more intimate talks;
- prepare to spend time on non-task conversation and relationship building;
- caucus away from the table to address face concerns; and
- understand that reciprocity and indebtedness will be salient determinants of the perceived fairness of each agreement.

In addition, Western negotiators would be wise to consider using middlemen to assess potential partners’ capabilities, bridge impasses and divide value agreeably; they should expect that proposed agreements may take longer to ratify, and may be revised many times during the life of the contract.

None of this is to suggest that you should radically adjust your negotiation practice to conform with that of your Japanese counterpart (Adair, Okumura and Brett 2001). The goal of the MGA is to find an approach that *both* sides can adhere to, and to treat differences in goals and expectations as shared problems. We therefore suggest you focus on exploring the middle ground, where both you and your Japanese counterpart can feel reasonably comfortable with the approach and maximise the joint gains for all involved.

References

This brief was written by Masahiro Matsuura, University of Tokyo. Portions of this brief have been adopted from the author's previously published contribution to Movius, H., Matsuura, M., Yan, J., and Kim, D. 2006. 'Tailoring the Mutual Gains Approach for Negotiations with Partners in Japan, China, and Korea.' *Negotiation Journal*, October 389-435.

- Adair, W., and Brett, J. 2004. 'Culture and Negotiation Processes' (157–176). In Gelfand, M., and Brett, J. (eds.) *The Handbook of Negotiation and Culture*. Stanford, CA: Stanford University Press.
- Adair, W., Okumura, T., Brett, J. 2001 'Negotiation behavior when cultures collide: The United States and Japan'. *Journal of Applied Psychology*, 86(3), 371–385.
- Bazerman, M., J. Curhan, D. Moore, and K. Valley. 2000. Negotiation. *Annual Review of Psychology* 51: 279–314.
- Blaker, M., P. Giarra, and E. Vogel. 2002. *Case studies in Japanese negotiating behavior*. Washington, DC: U.S. Institute of Peace Press.
- Brett, J. 2001. *Negotiating globally: How to negotiate deals, resolve disputes, and make decisions across cultural boundaries*. San Francisco: Jossey-Bass.
- Brett, J., W. Adair, A. Lempereur, T. Okumura, P. Shikhirev, C. Tinsley, and A. Lytle. 1998. 'Culture and joint gains in negotiation.' *Negotiation Journal* 14(2): 61–87.
- Burt, R. 1992. *Structural holes: The social structure of competition*. Cambridge, MA: Harvard University Press.
- Cocroft, B. and Ting-Toomey, S. 'Facework in Japan and the United States'. *International Journal of Intercultural Relations*, 18(4), pp. 469–506.
- Fisher, R. and W. Ury. 1981. *Getting to yes: Negotiating agreement without giving in*. New York: Penguin.
- Gelfand, M. and Cai, D. 2004. 'Cultural Structuring of the Social Context of Negotiation' (238–257). In Gelfand, M. and Brett, J. (Eds.) *The Handbook of Negotiation and Culture*. Stanford, CA: Stanford University Press.
- Gelfand, M., L. Nishii, K. Holcombe, N. Dyer, K. Ohbuchi, and M. Fukuno. 2001. 'Cultural influences on cognitive representations of conflict: Interpretations of conflict episodes in the United States and Japan'. *Journal of Applied Psychology* 86(6): 1059–1074.
- Gercik, P. 1992. *On track with the Japanese: A case-by-case approach to building successful relationships*. New York: Kodansha International.
- Graham, J. 1993. 'The Japanese negotiation style: Characteristics of a distinct approach'. *Negotiation Journal* 9(2): 123–140.
- Graham, J. and Y. Sano. 1989. *Smart bargaining: Doing business with the Japanese*. Cambridge, MA: Ballinger.
- Hall, E. 1990. *The hidden dimension*. Garden City, NY: Doubleday.
- Hall, E. and M. Hall. 1987. *Hidden differences: Doing business with the Japanese*. New York: Anchor Books.
- Hodgson, J., Y. Sano, and J. Graham. 2000. *Doing business with the new Japan*. Lanham, MD: Rowman & Littlefield.
- Hofstede, G. 1980. *Culture's consequences: International differences in work-related values*. Newbury Park, CA: Sage.
- Lebra, T. S. 1976. *Japanese patterns of behavior*. Honolulu, HI: University Press of Hawaii.
- Lohr, S. 1982. 'When money doesn't matter in Japan'. *New York Times*. December 30: D4.
- March, R. 1988. *The Japanese negotiator: Subtlety and strategy beyond Western logic*. New York: Kodansha International Marketing.
- Ministry of Economy, Trade and Industry (METI). 2015. *Gaishi kei kigyo doukou chousa* (in Japanese). <http://www.meti.go.jp/statistics/tyo/gaisikei/> (in Japanese)
- Ministry of Education, Culture, Sports, Science and Technology (MEXT). 2015. '*Nihon-jin no kaigai ryu-gaku-sha suu' oyobi 'Gaikoku-jin ryugaku-sei zaiseki jokyō chosa' tou ni tsuite*'. http://www.mext.go.jp/a_menu/koutou/ryugaku/1345878.htm (in Japanese)

- Ministry of Education, Culture, Sports, Science and Technology (MEXT). 2014. *Wakamono-no Kaigai-ryugaku wo Torimaku Genjo-ni tsuite*.
<http://www.cas.go.jp/jp/seisaku/ryuugaku/dai2/sankou2.pdf> (in Japanese)
- Morris, M. and Gelfand, M. 2004. 'Cultural Differences and Cognitive Dynamics: Expanding the Cognitive Perspective on Negotiation'. (45–70) In Gelfand, M. and Brett, J. (Eds.) *The Handbook of Negotiation and Culture*. Stanford, CA: Stanford University Press.
- Nakane, C. 1970. *Japanese society*. Berkeley, CA: University of California Press.
- Oetzel, J., Ting-Toomey, S., Masumoto, T., Yokochi, Y., Pan, X., Takai, J., and Wilcox, R. 2001. 'Face and facework in conflict: a cross-cultural comparison of China, Germany, Japan, and the United States'. *Communication Monographs*, 68(3): 235–258
- Putnam, R. 2000. *Bowling alone: The collapse and revival of American community*. New York: Simon & Schuster.
- Salacuse, J. 1998. 'Ten ways that culture affects negotiating style: Some survey results'. *Negotiation Journal* 14(3): 221–240.
- Tinsley, C. 2001. 'How negotiators get to yes: Predicting the constellation of strategies used across cultures to negotiate conflict'. *Journal of Applied Psychology* 86(4): 583–593.
- Vogel, E. 1979. *Japan as number one: Lessons for America*. Cambridge, MA: Harvard University Press.