Publications: Excerpts from Japan Insider

Carl Kay

Japan Insider

Selected articles from newsletter Japan Insider published in Boston by Carl Kay from 1993-1995.
Much of the cultural advice remain useful a decade later. Unless otherwise noted, all articles by Carl Kay, with assistance from Tom Shapiro and Laura Silverman.

***

An Added Dimension in Japanese Customer Relations: Feelings

Uniquely positioned between the United States and Japan, Japanese Language Services bridges the culture and business practices of both countries. In this column, we offer the Japanese perspective. Each issue will offer interviews, observations, or opinions on topics to help you sharpen your business skills and enhance your success in Japan. Much of this information cannot be read on the surface of Japanese culture and proves stubbornly elusive to newcomers. A perfect example is the high value the Japanese place on feelings.
One of our Japanese clients recently noted: "When we buy from Americans, we're often frustrated that the salesperson disappears after closing the sale. This particularly upsets us when difficulties arise. Even if we learn to navigate through different departments to solve the problem, no one person responds to our feelings."

For many Americans, feelings, may seem a rather abstract criterion by which to conduct business. yet the importance of feelings to the Japanese cannot be overstated and should never be taken lightly. If Japanese customers feel uncomfortable, they have reason enough to take their business elsewhere.

To the Japanese, business relationships represent more than commercial exchanges. They view their interactions as a series of finely tuned links between people. In business and personal ties, the Japanese place an extremely high value on loyalty, responsiveness, and accountability.
Japanese customers must sense that their suppliers will make every effort to follow through on promises and avoid the shame of failing to deliver. To this end, American firms should make customer service their top priority. Americans who work directly with Japanese customers must exhibit excellent character, and businesses should allow these representatives to establish the familiarity and trust that grows from working with a client over a long period of time. Above all, American business people in Japan must do whatever they can to fulfill their promises and go beyond merely satisfying the contract. To compete in the Japanese market, Americans must extend their customer relations efforts and establish comfortable, trusting affiliations.

***

There are few people better qualified to give advice about Japanese and American business than Consultant Shigemichi Takata, who combines first-hand knowledge of the traditional world of Japanese business with a long career as an internationalist. As a young man, Takata followed a typical path for a member of the Japanese elite, joining the large trading firm Mitsui & Co. after graduating from the prestigious Keio University in 1961. Later, he pursued graduate study at Cornell University's School of Labor Relations, traveled extensively exporting papermaking machinery to English-speaking countries, and married an American. Eventually, he left the security of the large firm to start his own trading company. In 1977, he sold his company and moved to the United States,

where he consults for both American and Japanese firms.

We Japanese feel we make decisions from our gut, our "hara," and not just with our minds. Western-style presentations generally rely on linear logic and well-articulated arguments. The ideas might interest us, but they don't move us to action. Like sumo wrestlers, we are not easily swayed. In fact, people who are especially verbal are often slightly mistrusted in Japan.

I recommend that Americans doing business with Japanese change the form, not the content, of their presentations if they wish to be more persuasive. First, make small talk before jumping right into business. It is important to me, as a Japanese, to get to know you a little before I consider your proposal. Second, don't tell me your "bottom line" until the end of your presentation. Rather, give me all of the relevant data and let me anticipate your conclusion.

After you've presented all of your main points, delay the conclusion still more. Introduce a related but less central idea. Take a break. Or take me to lunch. I call this the "buffer" stage of a presentation. I need time to consider inside my gut what you are likely to propose and how I wish to react. This stage presents a sort of mental challenge to the parties in the negotiation. It allows each side to size up the other's character, and makes business more satisfying in the end.

Finally, make your proposal. At this point, you can show a little more feeling than you might in American business circles. If you really want my business, or need it, let me see that. It might influence my decision. Even if I don't say yes this time, I can sense your sincerity and will feel an obligation to return it. This is ideal ground from which a strong business relationship can grow.

The style of interaction that Shigemichi Takata describes here manifests itself in all aspects of Japanese life. In business, you can effectively apply this sequence of steps to a single presentation, a several day visit, or to the whole sales cycle.

***

Perfect to the Last Detail

In Japan, Even a Minor Flaw Puts Quality in Question

Taichi Sakaiya was born in Osaka in 1935. After graduating from Tokyo University, he joined the Ministry of International Trade and Industry (MITI) where, among his other duties, he chaired the committee in charge of the 1970 Osaka Expo. Since leaving MITI, Mr. Sakaiya has become a best-selling author of non-fiction and fiction. The following passage, adapted from his recent book What is Japan? Contradictions and Transformations, examines one source of resistance to foreign products in Japan.

When people are constantly working diligently in a resource-poor society, much labor is inevitably poured into limited resources and scarce land. Under these circumstances, the Japanese naturally developed an aesthetic of devoting great labor to details. Concentrating hard work on a limited object proved that a worker was diligent and even of good character.

Workers became obsessed with parts that had nothing to do with either the function or the appearance of the product. Even today, the finish of the inside of a garment or the reverse side of a weld are important in the Japanese market. For Japanese, such areas are important precisely because one cannot see them.

Many foreign products deficient in details will not sell well in Japan. To sell in the Japanese market requires an expert finish down to the last detail, even if this comes at greater cost. Packaging and wrapping must be excessive to the point of redundancy. Labels and markings must be sharp, correctly positioned, and neatly applied. These seemingly wasteful efforts are the bait that catches the Japanese consumer.

In Japan, a product that is not perfectly finished reflects poorly on the quality of the company's management and employees. All other products of that company are then considered likely to have some kind of hidden defect. A flawed finish is a red flag that warns Japanese of the possibility of those minor breakdowns they most loathe.

The secret of Japan's modern competitiveness in exporting industrial products lies in these impeccable details. To export successfully to Japan, other countries must become more aware of this peculiarity of the Japanese market.

Sakaiya adds that this feeling about details has deep roots in Japanese history. It even affects corporate structure. He points out that in Japanese companies the attitudes of those responsible for details are hard to ignore. Departments involved in detail work have great authority, at the expense of overall coordination.

***

Pushing Your Keyboard's Emotional Buttons

Electronic Communication with Japan

Workers at the Tokyo office of a large American software company were horrified. The new voice mail system sent over from headquarters displayed the caller's first and last names on the screen. Many people in the office didn't even know each other's first names, and displaying the first name of people high on the corporate ladder was felt to be highly inappropriate.

Ted Dale, President of cultural consulting firm ITRI, suggested modifying the system to display only the first initial and last name. Dale's client balked at the cost of such customization. "It's only a name on a screen, " they reasoned. "None of our people are actually being rude."

Wrong, say Professors Byron Reeves and Clifford Nass of Stanford University's Center for the Study of Language and Information. People respond to communications technology as if they are engaged in a face-to-face human encounter. Ample research documents that an individual's interaction with such technology is fundamentally social and natural, claim the professors. Since human interactions are strongly conditioned by culture, Dale's recommendation to eliminate the display of first names was critical to the acceptance of the voice mail system in Japan, where first names are rarely used in business communication.

Voice mail, videoconferencing, interactive CD-ROMs, World Wide Web and electronic mail offer unprecedented access to information and people across vast physical and cultural distances. If cultural sensitivity is not built into

the user interfaces of such systems, however, the effectiveness of the communication and the satisfaction with the relationship will be no better than when people without cross-cultural training conduct international business face-to-face.

Consider e-mail, for example. When an American sends an unsolicited first message to his counterpart at a Japanese joint venture partner, the recipient feels uncomfortable. In Japan, people don't speak readily to strangers. An introduction supplied by a mutual colleague, who provides background information about seniority, affiliations and experience so that each side knows what level of speech to use and what degree of self-disclosure is appropriate, greatly facilitates the connection. The ritual of exchanging business cards that marks the beginning of every business relationship in Japan reinforces the formality.

Since people relate to communication devices as if they are human beings, sending an unsolicited e-mail message without laying the proper groundwork breaks these cultural rules. In such situations Japanese, who tend to avoid conflict, will typically just ignore the message.

But easy links to new people is one of the gains from digital technologies. Japanese companies are introducing such systems precisely to stimulate innovation and increase productivity in their white collar ranks, where performance is a far cry from that of Japan's legendary factory floors. Won't Japanese adapt to these new technologies just as they have to other imports from the West?

Yes and no, says Carl Kay, President of Japanese Language Services. While some accommodation is occurring on the surface, "it is critical to remember that the basic cultural patterns every human being carries through his or her life are learned mostly in childhood from one's family interactions and are not easy to bypass."

Kay offers concrete advice for modifying one's electronic communication with the Japanese. "Start your first e-mail message formally. Give your name, title, organization and other relevant information as you would when exchanging business cards. Establish a common point of reference by mentioning the person who introduced you or some other connection you have with the recipient."

"Before you launch into a business discussion, express your goodwill and reinforce your mutual need for cooperation. You can even type the phrase yoroshiku onegai itashimasu used for this purpose in Japanese; it pushes emotional buttons, even when spelled out in roman letters, in a way that no English expression can."

Don't forget the language barrier, adds Kay. "English is a second language for Japanese people. On a busy day, is it likely your message will get priority?"

The best solution is to become fully bilingual, Kay continues, but few businesspeople can spare the years of study required. A more practical solution he offers is a list of key Japanese written expressions like yoroshiku above. By using the appropriate expression in the subject field of your e-mail message to telescope its core intention, Kay says, you "greatly improve the chances your message will be read, understood and acted upon."

For example, if you have previously requested information but received no reply, send the message again with the heading gohenji kudasai, which is a polite way to emphasize "please, I need your reply."

Note that unless you are studying Japanese, don't use these phrases in face-to-face communication or in writing other than in the subject field, because the meaning may be different in a different context.

Japanese culture stresses harmony over direct airing of differences. The Japanese language supports this by allowing a speaker to wait until the end of a sentence before revealing her degree of certainty and emphasis. A point can be softened as the speaker sees the listener's discomfort with where the conversation seems headed; more groundwork can be laid to try to make the point. The Japanese like to call this communication style "wet," in contrast to Western-style, logical "dry" communication.

The current level of digital communications technology does not allow such subtle interactivity. The full potential of a wired planet will be realized when developers make such technology more able to accommodate the cultural preferences of different users. A "culture filter" could function like a spell checker, highlighting obvious gaffes in e-mail messages. Videoconferencing software could include a "culture manager" to control the order and pace of a meeting according to the cultural preferences of participants. Strategic implementation of tools that support cross-cultural communication will become a necessity to succeed in the global business environment.

***

Setting Your Watch to Japanese Decision-Making Time

The speed of decision-making represents a thorny issue for Japanese and Americans alike in joint business. In general, Americans find the Japanese unbearably slow, while the Japanese are annoyed by American impatience. Our long-time colleague Hiroki Kato, Vice President of Asian Business Development at Iomega (Roy, Utah), past Vice President of the Chicago Mercantile Exchange, and former Professor at Northwestern University, explains one major source of this problem in Understanding and Working with the Japanese Business World (Prentice Hall, 1991), a book he co-authored with his wife, attorney Joan Kato. The following excerpt is adapted by permission of the publisher.

The time period from project beginning to end is similar in the U.S. and Japan, yet what happens between those two points differs greatly. An American company typically makes a major decision at a very early stage, involving relatively high-ranking people. It may take considerable time to implement the decision, and generally resources are not mobilized until the decision is handed down.

By contrast, at a Japanese company, relatively junior employees advance most ideas. As the ideas filter to the top, they spread throughout the operational sectors, giving employees time to consider the most effective implementation strategies. A final decision may take longer, but once made, the organization is poised to act quickly.

Given these differences, if Americans negotiate with the Japanese before an idea has traveled through the echelons of the Japanese organization, the Japanese will naturally appear slow and indecisive. On the other hand, if the first meeting occurs after the Japanese company's upper management has reached a decision, the Japanese will be prepared to execute the decision more quickly than the typical American firm.

An American organization that can adapt to the Japanese side's pace of decision-making has a greater chance of succeeding in joint business. When an American company absolutely requires a prompt response, it is important to explain why. An apology or other show of consideration, acknowledging that your request is counter to protocol, improves the likelihood of a positive reception. Past favors from your side also carry weight, for the Japanese keep an accurate mental account of the obligations incurred throughout a relationship. Following up with a thank-you fax shows respect for the Japanese way of doing business.

***

Uchi-Soto

Imagine two scenarios. In the first, representatives from an American company are negotiating with a party from a Japanese company. The American side proposes a new idea only to be met with an uncomfortable silence. They press for a response but get none. Only later, when the Japanese side has had a chance to confer in private and telephone other members of the company, do they receive an answer. By this time, the Americans are frustrated by the slow pace of their Japanese counterparts.

In scenario two, a U.S.-based global corporation issues a new worldwide personnel policy. The Japanese subsidiary does not complain, but neither does it act to implement the policy. Headquarters feels that the Japanese side is two-faced and disloyal. They cannot understand why the subsidiary doesn't act more like part of the company.

What is really happening in these two scenarios? In a word (or two): uchi-soto.

A Japanese person's sense of identity stems in large part from his or her affiliations with groups called uchi (`inside'). Anyone not in a particular uchi group is considered soto, or `outside.' Many interactions in Japan are influenced by the uchi-soto dynamic of the relationship.

The broadest uchi tie is that of being Japanese; non-Japanese are called gaijin, which literally means "soto person." Other uchi affiliations include family, university class, company, and work group.

Business dealings with soto people (whether foreigners or Japanese from another company) are generally polite, but always more ritualized than those with insiders. Information is not shared as freely, and a unified front is presented to the outside regardless of internal disagreements. The Japanese in the first scenario above cannot give a response to a new proposal until their uchi digests the idea and formulates its position. In general, the Japanese will not be ready to engage in give-and-take exploration of new points within a single formal negotiating session. For maximum results, Americans should allow time for the uchi to reach a consensus, or should explore less direct ways to introduce new ideas into the negotiation.

The corporation in the second scenario must accept a key fact: although the subsidiary will feel an uchi tie as part of the parent's company, by all other yardsticks the Americans at headquarters are soto. To strengthen the uchi aspect of the connection, the American side should consider investing greater effort to build close relations. Good relations will engender a sense of mutual dependence, which will manifest itself on the Japanese side in the

responsiveness that the Americans seek.

***

Remind Me What We're Supposed To Be Selling Them

by Kazutami Yamazaki

Kazutami Yamazaki is Senior Economic Advisor at the U.S. Embassy in Tokyo. He formerly worked for the Nihon Keizai Shimbun and as a freelance journalist, covering U.S.-Japan relations. Yamazaki, a Nieman Fellow at Harvard University from 1989-90, comments here on Americans' frustration with the pace of business decision-making in Japan.

Over a year ago, I enjoyed a cartoon in the Financial Times, in which two Western businessmen are leaving a Japanese company's headquarters. One guy who looks exhsted says to his partner: "Okay, we've wined, dined, played golf and exchanged gifts. Remind me what we're supposed to be selling them."

The satire makes a poignant point. Doing business in Japan requires a considerable amount of perseverance. You have to be patient, since the Japanese way of conducting business tends to slow things down; the Japanese practice of making decisions from the bottom up is time-consuming. A Japanese CEO can't implement a decision overnight by himself; the management is apt to distrust foreigners (and Japanese newcomers). You have to invest time, energy and money to win the confidence of Japanese colleagues and to develop long-lasting relationships in Japan. Doing business in Japan is bound up in rituals and customs, as the cartoon illustrates.

Note, however, that being patient is not merely a tactic for ensuring the success of deals. It is a highly valued virtue, one that dominates the daily life of the Japanese people. Take it on the chin. Stick with it. Exhortations like these, and people whose lives mirror them, are always admired and highly regarded in Japan.

You may have heard about Oshin, a television drama about how a Japanese girl's tenacious perseverance through numerous, harrowing hardships finally earned her happiness. Oshin became a symbol of the value of fortitude, and the show set ratings records in the 1980s.

If the Japanese side seems to take a long time making decisions, just remember the spirit of Oshin. It may be the key to your success in Japan.

While things may start slowly in Japan, it can be equally hard to stop something once underway. Though you might be tempted to create quick, easy revenue by signing on with the first Japanese distributor that comes along, be warned that it can be difficult to pull out of a bad match or add channels later. It is best to research the market thoroughly on your own first. It may be worth it to endure like Oshin (maybe even setting up your own Japanese subsidiary) if the opportunity for your company in Japan is a significant one.

***

Pitching in Japan

Culture Swings a Mighty Bat in the Japanese Marketplace

"Making Inroads," a front page story in the April 15, 1994 Wall Street Journal, recounts a wave of recent successes by American companies selling in Japan. The current economic and political situation makes this an excellent time for Americans to sell there.

Still, many Americans who make sales all over the world consider Japanese buyers particularly difficult to satisfy. There are many explanations offered for this, including culture. Here Japan Insider looks at a few of the cultural factors involved in selling in Japan and their implications for American companies.

History

In feudal Japan, merchants ranked lowest of the four social classes, after samurai, farmers and artisans. While the class system has long been abolished in modern Japan, the assumption remains that the seller starts any interaction in a lower position than the buyer. In Japan's hierarchical society, this means that the seller must show deference to the buyer in many ways; the seller uses more honorific language, bows lower, goes beyond the letter of the contract when difficulties arise, entertains the buyer in restaurants and clubs, and gives gifts in mid-summer and at year-end, to name just a few examples.

Implications for Americans:Japanese buyers rarely expect Western sellers to follow all of the Japanese customs. However, a relentless spirit of service and meticulous execution are absolute musts. Simply put, selling in Japan is hard, time-consuming work.

Societal Structure

In Japan, no person or company can function effectively without broad and deep connections to others. It is critical to maintain and expand one's ties and cultivate the favor of others at all times. Any lapse in fulfilling one's obligations causes a loss of reputation (or "face") that can damage one's chances for success. Unlike the United States, where it is common to try several jobs or even professions before finding success, in Japan there are few second chances. Everyone plans carefully and works hard to make the most of any opportunity.

Implications for Americans:Japanese customers worry whether the threat of losing face motivates non-Japanese suppliers enough to elicit the same extra efforts the customer can expect from Japanese suppliers. A long track record of going the extra mile for your customer every time builds the trust that confers "insider" status and makes orders flow more easily.

Business Organization

In large Japanese organizations (the target of many American sellers), information concerning choice of suppliers for important purchases is typically gathered at fairly low levels in the company. Data is digested and passed upward with recommendations. This process may be repeated any number of times, depending on the size of the purchase. Heavy demands for all kinds of information are placed on prospective vendors throughout this period, which can last a very long time.

Implications for Americans:American sellers often make their pitch at too high a level in Japan. Since there is rarely a single key "decision maker," it is better to meet all the requirements of the "window" that is opened to you. (Requests for proprietary information may of course be refused, although an apology preserves harmony.) It is a

good idea to cultivate a wide net of contacts in your target company and at third parties, such as banks and government ministries, who can help you wield influence.

Cultural factors in Japan make it hard for any newcomer, American or Japanese, to sell there. Once a channel is established, however, culture can work in your favor. In Japan's relatively stable corporate environment, you can expect to deal with mostly the same people for many years. In the rare case when faces change, new personnel will be fully briefed on the entire history of the relationship with your company. If you continue to anticipate and satisfy the requirements of your Japanese customers, they will tend to be loyal buyers who will not easily jump to your competitors.

***

Reflecting on Fifty Years

Bridging the Gap--Building Solid Business Relationships Amid Conflicting Perceptions

The great gap in distance, culture and language that separates the U.S. and Japan makes relations difficult even in the best of times. During World War II this gap made a bad situation even worse. According to History Professor John Dower of MIT, "America's close cultural ties with Western Europe constrained the degree of viciousness and hatred shown between us and Germany and Italy, but in the conflict with Japan there was a tendency on both sides to view each other as sub-human."

Dower contends that this attitude created a climate for a "war without mercy," one which saw a massive surprise attack, atrocities against prisoners of war, intensive bombing of civilian targets-including the only two uses ever of atomic weapons-and the internment of American citizens by their own government.

Fifty years after the end of World War II, Japan and the U.S. enjoy a relationship firmly grounded in peace. Few surviving combatants are young enough to be doing business with their former enemies. Yet the mutual scapegoating continues into the present as mass media in both countries try to blow up today's trade frictions into a broader sense of conflict. Racist remarks by politicians in both countries fan the flames from time to time. Such an environment makes it harder for the many people on both sides of the Pacific who are trying to build solid business relationships.

Noted Japanese psychoanalyst and social commentator Hayao Kawai has examined the U.S.-Japan relationship from a psychological point of view. According to Kawai, after World War II a defeated Japan looked to the victor America for help and guidance in the way a Japanese typically relates to a superior. Not unlike a child relating to its mother, Japan acted with amae, a term that means an expectation of being taken care of in return for devotion and loyalty. Like the mother-child bond, such a relationship does not change as time passes or as circumstances shift.

America uses a more father-oriented view of the world, says Kawai. Based on specific circumstances, America chose to exhibit generosity toward Japan for a certain period of time to help it rebuild and become independent. However, like an American father, it expected Japan to develop American values in the process.

These conflicting models coexisted well enough, according to Kawai, until Japan's rise as an economic competitor and the fall of the common Soviet enemy made the parent-child model of the relationship obsolete.

Yet old habits persist. Japan does not easily accept America's pressures to reduce Japan's trade surplus and instead feels bullied: what kind of mother makes so many selfish demands? America meanwhile feels that the son it raised is trying to usurp its father's power while refusing to act according to the principles its father taught it.

No wonder, says Kawai, that the current U.S.-Japan relationship is stressful, causing some to express tired old hatreds. Yet the economic ties between the two economies continue to grow, and business people must ask: what steps can we take to build the empathy and trust that underlie successful business relations?

Consultant Shig Takata counsels Americans that even stereotypes can be a source of help. "We Japanese tend to have a very fixed world view, with widely shared positive and negative preconceptions about all peoples, including Americans. Americans can use these to their advantage, in a way that actually builds rapport." For example, advises Takata, "one positive stereotype is that Americans are very straightforward. However, taken to an extreme they become too blunt and insensitive to people's feelings by our standards. If an American can tone down his spontaneous directness-just slightly-the positive aspects we expect will come across very well, and our negative reactions won't be triggered."

Japanese pride themselves on attention to detail, says Takata, and "we typically expect American people and companies to fail to meet our standards in this regard. However, if an American shows us that he understands our requirements and is working very hard to meet them, our level of comfort increases dramatically."

The values and behaviors of another culture become less alien when one can adapt some of them for one's own use. John Rehfeld, formerly a senior executive at the U.S. operations of Seiko and Toshiba and now CEO of Etak, offers advice on combining Japanese and American management styles in his book Alchemy of a Leader.

For example, Rehfeld found that adding a few American touches to the Japanese process of kaizen, or continuous improvement, significantly increased the results he achieved when implementing the method with American workers. In Japanese-style kaizen, the target is always raised as soon as a goal is met, reflecting a Zen-like pursuit of a state of perfection that can never be reached.

This approach frustrates Americans, who, according to Rehfeld, prefer to enjoy the satisfaction of having attained a specific goal before setting out for the next plateau. Rehfeld added rituals that celebrated successes and also praised individual contributors more than would be done in group-oriented Japan. These slight adjustments made his American workers very comfortable with a powerful competitive tool from Japan.

Rehfeld encourages both Americans and Japanese to exercise this type of adaptation, incorporating alien values and styles into more familiar ways and practices. Such efforts increase one's choices when dealing with complex business challenges. It also lowers barriers to mutual empathy and trust, offering a glimpse of a world where World War II is truly left behind.

***

Don't Break the Wa:

Direct "No" is a No-No in Japan

In Japan, business circles tend to overlap, and the same people often must deal with each other again and again. In this tightly-knit environment, people who are skilled at maintaining harmony are viewed favorably. In business, as in other realms, various mechanisms have been developed to prevent confrontation and to protect the feelings of the "losers" in a situation. Everyone knows that the same players could find themselves in opposite roles next time.

One such mechanism is the avoidance of a direct "no." In Japan, it is rude to refuse something directly, whether it be tea or a major business proposal. Such a refusal breaks the surface harmony ("wa") and is taken as a rejection of the person making the proposal, not just the content of his or her offering.

Successful players in Japanese business make elaborate, polite refusals. A direct translation might read as follows: "Regarding your proposal that you send an engineer to our plant for two months to assist in the development of the new component: we truly appreciate your offer to go to such effort and expense, and it is a very good idea, but unfortunately it is our company policy to prohibit such joint work at our facilities. Indeed, we refused a similar request from a German company last year, so I am afraid that it is not possible for us to accept your excellent proposal at this time. Perhaps we can consider it in the future."

In terms of actual business result, there is no difference between the above and the legalistic exchanges more typical of Western negotiations (e.g., "we cannot accept item 4 but we will give you what you want on item 7"). To be sure, the former takes more time, but from the Japanese perspective, it is worth the trouble to avoid leaving any scars when declining something. Extra effort spent on a polite refusal maintains harmony with the other party and leaves the door open for further fruitful exchange.

The flip side of this custom is the unspoken "no." Many American negotiators fail to recognize this essential facet of communications in Japan, and become frustrated with their Japanese counterparts as a result. A good rule of thumb is: if you are not getting a clear "yes"-demonstrated by actions as well as words-you are probably being turned down.

At this point, it is best to probe for possible problems the other side is having with your proposal. If you think you can identify the problem, ask a question such as, "Is there a problem with the delivery date (or price, or specifications)?" Given an escape from the uncomfortable position of having to say "no," the Japanese party will likely jump at the chance to say, "Yes, there is a problem with the delivery date."

Now you have the information you need to try to make the deal happen, as well as a Japanese party that feels that you understand their concerns. Your sensitive handling of the situation will be appreciated and will make you a more comfortable business partner for the Japanese, now and in the future.