

COMPARATIVE ANALYSIS OF CULTURAL DIMENSION IN THE MANAGEMENT OF JAPAN AND ROMANIA

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Abstract:

This paper aims at highlighting the influence of cultural dimensions in different national contexts, a comparative approach that allows identification of the similarities and differences that arise between two cultures, one Romanian and the other Japanese, in terms of specific approaches of the comparative management.

Key words: *management, cultural influence, comparative approach*

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Japan's amazing economic performance of the postwar period led to a hard research of Japanese developments to try to discover the causes and the factors that have generated it, one of the main findings of studies and observations economic analysts is that Japanese management has a key role in achieving performances.

Knowledge of basic characteristics of Japanese management, identify similarities and differences compared with management used in other countries, is leading to highly applicable information to the management of Romania.

Peculiarities of Japanese management

An important feature of Japanese social and economic context is the special relationship that exists between government and economic circles. The strongest economic ministry is the Ministry of International Trade and Industry (MITI). It initiated far-reaching economic measures, governing the production, set prices and tariffs, funding research, shifts surplus labor, forming cartels to obtain performance products at competitive prices in foreign markets, set strategy and economic policy, at least on medium term. The successes achieved by Japanese companies in the world market shows that this view was carried into practice successfully.

Financial circles type *Zaikai* succeeded to influence the government's economic policy, because they bring together the views of the economic circles, of the large industrial groups. The power of influence of these financial circles is provided by their members, many of whom are presidents or CEOs of large industrial groups, bankers or dignitaries. As a rule, the point made by *Zaikai* is always considered by the Diet and by the Government. In fact, the Diet has never adopted legislative measures rejected by *Zaikai*. Placed between economic organizations, the Parliament and the Government, the financial circles of Japan impose economic policy.

Japan's economy is characterized by the coexistence of *two types of organizations: small businesses*, which represent about 98% of all firms, *large firms* respectively, powerful economic groups, few in number but extremely powerful. Small businesses are organized and operated under the same principles of market economy available worldwide. Instead, large companies have many particular issues which lead us to continue to insist on presenting some of them.

An important contribution to the achievement of performance management at macro level have economic organizations associations, such as: *Nikkeriren* (Japanese Federation of Employers' Association), i.e. the central organization of employers, which

educates them to understand the importance of consensus in promoting relations work, *Keidanren* (Japanese Federation of Economic Organizations), which plays an important role in achieving a consensus of views of business circles regarding issues of trade policy, fiscal or human resources, *Nissho*, which expresses the position of business and firms created by them in relation to the Diet; *Keizi Doynkai*, which is a forum for discussion and research of employers, studying corollary of economic and social problems, trying to harmonize them. All are aware of the role they have to obtain and maintain long-term national consensus on the Japanese economy and society.

Peculiarities of Romanian management

In the last 20 years, Romania and other countries in Central and Eastern Europe, has imported principles, methods and management techniques specific to developed countries, particularly the Anglo-Saxon ones. Also, the developments in the management practices in Romania were marked by an influx of multinational companies, which exert a very strong influence on Romanian management. However, in the companies from different sectors of activity there are a number of differences in dealing with management practices. Although at January 1st 2007 Romania became a full member of the European Union, people from executives declared that Romania has not all the necessary tools of the integration into the European Union. Competition and competitiveness, although it should be seen as major positive effects, are still considered a threat to a large number of Romanian companies.

Romania has an economy characterized by high levels of inflation (although it has fallen in recent years), with a low growth or zero growth and a low rating for foreign loans, a slow process of restructuring and privatization of a large part of the state sector, a unstable legal and tax framework, an underdeveloped and poorly regulated capital markets and inefficient public administration, bureaucratic and sometimes corrupt. Thus, the business environment in Romania is faced with a series of administrative hurdles and to overcome them is necessary a consensus at ministries, public authorities and government agencies involved in the economic process for building new coherent, consistent and effective administrative structures.

In this context, the Romanian management was also influenced in recent years by the entry of Romania into the European Union and the entry of many investors on the Romanian market. Thus, Romania had to be in line with certain standards, including the development of a managerial culture and, therefore, organizational.

The Romanian specific elements of the organizational culture are:

- An innovative spirit and the ability to work around the system;
- High flexibility (Romanians easily adapt and learn, they prove power of work and creativity in limited circumstances);
- Organizational structures loaded with many hierarchical levels, which hampers communication between managers and subordinates;
- Organizational values are underestimated, with the emphasis on financial success;
- The distrust that Romanian managers have in their subordinates, mistrust resulting from their own insecurity or fear to drive incompetent people.

Mr. Geert Hofstede, the Dutch specialist, concluded that management has generally a high cultural determination. This determination has an impact on the successful transfer of management know-how from one country to another, because management uses symbols derived from what individuals have learned in the family, workplace or other members of society. Based on these findings, Mr. Hofstede identified *four cultural dimensions (individualism / collectivism, hierarchical distance high / low, uncertainty avoidance high / low, masculinity / femininity)*.

Following we present the main features of each dimension and their specific elements in Romania and Japan in a comparative approach.

a) Individualism / collectivism

This dimension reflects the extent to which individuals prefer to focus on their development, namely, their families, remain emotionally independent in relation to different groups, organizations or other community. In societies characterized by individualism is important the time for privacy, freedom in work organization and an activity in which individuals are satisfied professionally. Conversely, in collectivist societies, people feel important to have good working conditions and work together, taking into account the interest of group. Individualism occurs when people are defined as individuals, while collectivism is characterized by fixed and rigid social systems, by which people define their group. In countries with a high degree of collectivism emphasis is on membership of different groups, on the loyalty of these groups in exchange for promised protection group. Both in Japan and Romania, the emphasis is on *collectivism*. In this situation, individuals are subject to rules of the social group they belong to and the company is divided into several such groups, united by common interests. The groups tries to promote their members' interests to the detriment of other groups and the relationships between members of an organization is based more on a moral perspective. The employees expect that the company to consider their needs and expectations and promotion should be based on seniority and be from within the organization. The group decisions are predominant. Also, a collectivist society can not support itself and needs external funds to begin to learn self-supporting economy.

Japanese Collectivism	Romanian Collectivism
▪ Specific status of help and mutual dependence that exists between the components of any organization	▪ Low level of economic development
▪ Interpersonal relations involving some emotional attachment	▪ Traditional agriculture
▪ Wide proliferation of the small groups	▪ Inside promotion made by seniority
▪ Cooperation between government and economic circles	▪ The employees expect that the company to take care of them and their problems
▪ Teamwork	▪ Low social-mobility
▪ Acceptance of ambiguity and chaos associated with obtaining economic performance	▪ Belonging to various groups in exchange for the group promised protection
▪ Social homogeneity on preserving the same customs and traditions	▪ Predominant group decision
▪ Low social-mobility	▪ Common social movements

b) Hierarchical distance high / low

The cultures differ with each other and depending on the importance attached to inequality in their economic and social functioning. This dimension measures the degree to which less powerful members of organizations accept as their leader to have more power so that power is unevenly distributed. The companies that seek to reduce inequalities in wealth and power is characterized by short to power, which leads to the statutes and formality to be less important. By contrast, the countries imposing inequality are characterized by a high power distance of hierarchical authority and subordinate believes that avoidance is an act of insubordination.

In Japanese organizations, distance to power is simultaneously high, considering the absolute authority of the hierarchy, but little cooperation manifested in the decision process between managers and subordinates. Romania is showing a great distance to the authorities, although employees will desire for a cooperative and participatory management style. Romania signals the need for authoritarian leaders, decision

centralization and people want to follow rules established by such leaders. Some employees prefer a close relationship with one head, to obtain its protection and to avoid taking responsibility for opinions contrary to it.

Predominant short distance within Japan	Predominant high distance within Japan	Predominant high distance within Romania
<ul style="list-style-type: none"> Cooperation between management and staff 	<ul style="list-style-type: none"> Political power concentrated in the hands of an oligarchy 	<ul style="list-style-type: none"> Organizational structure elongated, with a large number of hierarchical levels
<ul style="list-style-type: none"> Workers have a high qualification 	<ul style="list-style-type: none"> Reduced social mobility 	<ul style="list-style-type: none"> A strong differentiation of wages
<ul style="list-style-type: none"> Flat organizational structure with a small number of hierarchical levels 	<ul style="list-style-type: none"> Central trade unions 	<ul style="list-style-type: none"> Low-skilled workers

c) high / low degree of uncertainty avoidance

Dimension measured the degree to which people in a society feel threatened by ambiguous situations and the level at which they try to avoid these situations preferring stability and known elements. In some cultures, people feel that uncertainty is part of life and they can do little to influence it, resulting in a low degree of uncertainty avoidance. These countries are characterized by an open attitude to risk, to brand new and innovative elements. Conversely, in other cultures people are incited to fight for influence and control the future, it is characterized by high uncertainty avoidance. These countries are characterized by a strong need for safety, there are also specialists' trust, namely their knowledge.

The Japanese firms follow to avoid uncertainty (a high degree of uncertainty avoidance) that emphasizes stability. Thus, Japan is characterized by a strong need for security, there is also trust specialists respectively in their knowledge. The promote process in such organizations is from inside, watching to avoid creating competition between employees and the resistance to change is very important; also, group decisions prevail.

Romania registers a high level of uncertainty avoidance, which demonstrates that the population has a high degree of anxiety about the future and prefer today's security in exchange for the uncertainty of tomorrow. Thus, a company can not plan for longer-term strategic plan for the future because the future look triggers defense mechanisms. Some Romanians have difficulty to cope with ambiguous situations and the opposite views of others. In another vein, the population may react negatively and emotionally in certain situations, such as for example during the election, which would mean threats against security and safety, or in front of the need to accept something new, foreign such as advanced technology or the existence of a minority party.

Prevailing high uncertainty avoidance within Japan:	Prevailing high uncertainty avoidance within Romania:
<ul style="list-style-type: none"> A strong security need 	<ul style="list-style-type: none"> The population has a high degree of anxiety about the future
<ul style="list-style-type: none"> Trust the experts, as to their knowledge 	<ul style="list-style-type: none"> Preference for large enterprises
<ul style="list-style-type: none"> Predominant promotion from within 	<ul style="list-style-type: none"> Fear and stiffness in acceptance of new ideas

<ul style="list-style-type: none"> ▪ Predominant group decision 	<ul style="list-style-type: none"> ▪ sometimes violent manifestation of the elements that constitute the safety and security threats
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d) masculinity / femininity

To characterize a culture in terms of this dimension should be highlighted in the general objectives pursued by the men and the women respectively. It was found that men generally seek to have the opportunity to access the items as high as possible, to obtain the highest salary, to be kept up to date with developments in technology etc. Women aim to work in a friendly atmosphere, be sure to not be transferred to a position less desirable, to have good working conditions and good relations of cooperation with colleagues and leaders.

Masculinity is the degree to which the dominant values stresses: competition, dominance, monetary gain and social recognition. Femininity is the dimension which measures the degree to which the dominant values stress: cooperation, development of relationships among people, concern for environment and community and settling conflicts.

Romania is a feminine country where the members of society is seeking a collaborative environment and require support to all its members, regardless of their contribution. They are also less competitive and do not follow with all the costs to gain promotion. The good news is that we have never needed special action to promote women in managerial positions or political structures, as they can advance themselves if they want it, for opposite sex partners tend not to create discriminatory practices. The bad news is, however, that the female values of society determine a lower level of competitiveness of local organizations to those of foreign markets, and Romanian employees will not contribute positively to improve this situation. Since female values appreciate leisure time and cooperation to the detriment of personal performance objectives, Romanian companies will allow foreign companies to take their place on the market without a significant fight.

Japan, however, tends to masculinity values in terms of distribution of roles in society. So, in the Japanese organizations, success is all that matters, money and material goods are also very important. In general, men seek to make a career, as the women executives are a little more aggressive, due to the tension in the work.

Predominantly masculinity within Japan:	Predominantly femininity within Romania:
<ul style="list-style-type: none"> ▪ Predominantly single-member decisions 	<ul style="list-style-type: none"> ▪ The people and environment matters
<ul style="list-style-type: none"> ▪ Money and material things are the main factor 	<ul style="list-style-type: none"> ▪ A lower rigidity in facing problems than in the other case
<ul style="list-style-type: none"> ▪ Success is all that matters 	<ul style="list-style-type: none"> ▪ Fights are less
<ul style="list-style-type: none"> ▪ Divergent appeared to work 	<ul style="list-style-type: none"> ▪ Greater socialization and preference for group decisions
<ul style="list-style-type: none"> ▪ Social recognition is a factor of great importance 	<ul style="list-style-type: none"> ▪ Concern for the environment

Japanese Management marks and scored in a significant manner the evolution of management in many countries. Given the remarkable economic and social developments of Japan, based on cultural values with particular implications at the managerial level, we believe that it is an example to follow for managers and organizations in Romania.

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