

## Using English as the Corporate Language in the Context of Japanese Firms

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# Using English as the Corporate Language in the Context of Japanese Firms

日本企業における英語の社内公用語化について

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## 1. Introduction

Rapid globalisation has provided workers with abundant opportunities to seek jobs as well as develop their careers across national borders. In order to attract talented foreign workers, both domestic firms and multinational corporations have striven to create a more employee-friendly working environment for foreign workers. Changing the language policy, namely adopting English as the official corporate language, can be seen as one way firms have handled the issue of trying to retain as well as to attract foreign workers. This change is also manifest amongst Japanese firms. However, the results are not as advantageous as one might expect. Adopting English as the official corporate language is likely to lead to certain tensions and conflicts which can be seen as a burden to the firms. This discourse-based paper will focus on the historical development of the studies of English as a *lingua franca* in organisations as well as identify certain Japanese culture-related issues that should be taken into account when Japanese firms consider whether or not they should change their language policy.

### 1.1. Research into language in the setting of the organisation

Although the volume of research carried out to investigate language issues in the setting of the organisation, in particular multinational corporations (MNCs), has increased sharply in academia in various disciplines, our understanding of such language use is still insufficient due to the complexity of language *per se*. For instance, in the field of International Business (IB), in which language plays a silent role in many aspects, Brannen et al. (2014: 495) point out that “language as a key construct in the field of IB has not been sufficiently articulated or theorized”. Recently, Nielsen (2019) re-addresses a similar issue from a methodological angle by focusing on one of the limitations associated with the data used for analysis in the research. Her study recognises that the nature of language is

not static and can be thought of as a fairly complex phenomenon when it comes to using English as a corporate language. In fact, data utilised in many relevant studies are collected at a particular point in time and the sample size tends to be small, such as in a single subsidiary of an MNC. In order to gain a better understanding of the complex phenomenon, there is a “need to gather more data about the use of English as a Business Lingua Franca” (Nielsen, 2019: 120). In other words, there is still plenty of room for research in the area of language in the setting of organisations.

### 1.2. The beginning

Thus far, research into language in the context of management studies has been closely associated with the internationalisation of the firm. When firms venture abroad, language becomes one of the key challenges for many managers (Ghoshal and Bartlett, 1990). For instance, in the Uppsala model which demonstrates the processes of the internationalisation of a firm, language is considered to be one of the elements contributing to *psychic distance* (see Johanson and Wiedersheim-Paul, 1975). Nevertheless, management scholars only began to pay more attention to language and consider language as an integral element in their studies in the late 1990s. In their study, Marschan et al. (1997) explicitly state that the important role played by language has been overlooked in the research of MNEs. Despite the fact that certain studies of MNEs have touched upon the issue of language, language itself has not yet been brought to the fore. Having said that, a few management scholars have been encouraged by Marschan et al.’s (1997) work and have begun to adopt language as a key element in their research. As a result, language research in organisations has begun to flourish. Moreover, in the same article, Marschan et al. (1997) use the terminology, *language standardization*, which has been viewed as an introduction to the concept of a *lingua franca* in MNCs (Branne et al., 2014). When carrying out research regarding the *lingua franca*, the vast majority of researchers employ English as a *lingua franca*. Indeed, other languages as the *lingua franca* are seldom adopted. This may be due to the fact that “English is an intrinsic part of communication in multinational settings and a fact of life for many business people” (Nickerson, 2005: 367-368) alongside the historical (i.e. British colonialism) and economic-political influence of the Anglo-Saxon nations, in particular the UK and the US<sup>1</sup>.

### 1.3. How language is viewed in the existing research

Language has been studied in a number of subject areas such as Linguistics, International Management/Business, International Marketing and Communication. This also implies that language is likely to be perceived heterogeneously by researchers in different academic fields. According to Karhunen et al.’s (2018) review of language sensitive research in the field of International Management, how language is viewed can be broadly divided into three categories,

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<sup>1</sup> For details, see Pennycook (1994) and Phillipson (1992).

namely structural, functional and social practice. The meaning of each category is as follows,

The structural view of language suggests that the MNC is an organization of distinct national language, creating problems that the top management needs to solve.....The functional view in turn considers language mainly as an individual characteristic which affects all communicative activity in MNCs.....the social practice view suggests that language comes into existence in interaction between its users... (Karhunen et al., 2018: 982)

Karhunen et al. (2018) explicitly state that the structural and functional views of language are widely used by International Management/Business researchers in their research. The concept of language has been simplified and has been defined as a national language (e.g., English, Japanese and German) (see also Harzing and Pudelko, 2013). By so doing, our understanding of the role of language in the organisational setting (e.g. MNCs) is prone to be constrained or even biased.

When compared to the structural and functional views, the social practice view that stems from Linguistics provides us with a more fluid and sophisticated concept of language which enables us to examine language related phenomena in MNCs not only in-depth, but also from a different angle. For instance, the social practice view focuses on the interaction between the actors (i.e. users) and the context, as well as how they shape each other (Janssens and Steyaert, 2014).

#### 1.4. Nations where research has been conducted

Settings where language research has been conducted thus far is another significant point to be addressed. According to Tenzer et al. (2017), studies investigating language in organisations, namely MNCs, began in the UK and have then expanded to include nations such as the USA, Finland (see Fredriksson et al., 2006), Germany (see Ehrenreich, 2010; Fredriksson et al., 2006), Japan (see Neeley and Dumas, 2016; San Antonio, 1987), Sweden and, fairly recently, China (see Zheng and Smith, 2018). This trend also reveals that language research has mainly been carried out in developed nations. On the contrary, language research conducted in organisations in emerging markets remains rare.

## 2. Issues Regarding Using English as a Lingua Franca in Japanese Firms.

Using English as the corporate language in several large Japanese MNCs (e.g., Rakuten, Nissan, and Bridgestone) can be seen as a radical organisational change in those firms (See also Reiche and Neeley, 2019). Such a change is likely to be an attempt to either sustain or strengthen the competitive advantages of the firm by streamlining both external and internal communication. According to

Bartlett and Ghoshal (2002), external communication refers to the communication that occurs between the organisation (e.g., a firm) and the actors (e.g., investors, suppliers, and customers) outside it. On the other hand, internal communication refers to the communication that occurs inside the organisation, such as communication between departments, units and divisions. However, when considering a broader range of MNCs beyond the Japanese examples, a radical change comparable to the change in a company's language policy can also trigger many negative effects which may indeed mitigate the degree of benefit anticipated. Some of these negative effects will be discussed in the following sections.

## 2.1 Cultural paradigm

National culture (i.e. Japanese culture) can be recognised as one of the elements which has a significant impact on the adoption of English as a *lingua franca* in Japanese firms. According to Hall's<sup>2</sup> context<sup>3</sup> model, national cultures can be broadly categorised as high and low context. Applying communication as an example to further demonstrate the model, Hall (1976, cited in Hall and Hall, 1990) states,

[a] high context (HC) communication or message is one in which most of the information is already in the person, while very little is in the coded, explicit, transmitted part of the message. A low context (LC) communication is just the opposite; i.e. the mass of the information is vested in the explicit code (Hall and Hall, 1990: 6).

In other words, when compared to their counterparts living in a low context culture, individuals living in a high context culture are deemed to have more "shared codes". Explicit words and direct elaboration do not seem to be a necessity for communication to be carried out effectively. Furthermore, vague expressions tend to be frequently utilised in communication in an attempt to avoid any possible negative impressions (e.g., being considered as impolite or rude) which may occur and cause a breakdown in communication. Hence, senders and receivers need to grasp the real meaning behind the vague expressions by carefully analysing the 'context' in which they are written. Additionally, when individuals communicate with each other in the high culture context, nonverbal communication is often observed. The nonverbal communication is, to a certain extent, associated with the national culture. This presents further challenges which can hinder effective communication. For instance, Japanese culture is categorised as a high context culture. In Japanese society,

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<sup>2</sup> Edward T. Hall, an anthropologist, is regarded as the founder of Intercultural Communication (Rogers et al., 2002).

<sup>3</sup> "Context is the information that surrounds an event; it is inextricably bound up with the meaning of that event. The elements that combine to produce a given meaning—events and context—are in different proportions depending on the culture." (Hall and Hall, 1990: 6).

*Ishindenshin*<sup>4</sup> (以心伝心) and *kukiwoyomu*<sup>5</sup> (空気を読む) are typical expressions used to describe nonverbal communication.

Shared codes, which serve as the foundation for nonverbal communication, can be fairly difficult to acquire for individuals from outside the society, in particular for those from cultures categorised as low context. Generally speaking, without the shared codes, achieving effective communication between individuals from a high context culture and those from a low context culture is likely to be difficult, if not impossible. For instance, Japanese firms which adopt English as their official corporate language pay more attention to TOEIC<sup>6</sup> scores as the scores are used to judge the English language proficiency of their existing employees as well as the potential ones. The scores are considered to be one of the critical elements in the decision-making process when it comes to deciding who should be promoted to a managerial position and/or be recruited. Focusing solely on the linguistic competence of employees, English is considered no more than a ‘vehicle’ of communication (see. Karhunen et al., 2018). The importance of the national culture, with reference to how individuals communicate with each other across different cultural paradigms, is overlooked. Consequently, it is not difficult to assume that misunderstandings still remain an issue in the majority of Japanese firms adopting the English language as a *lingua franca*. Relying solely on linguistic competence does not guarantee effective communication as Steyaert et al. (2011: 271) point out, “[m]anagers or employees may not automatically have a shared framework of understanding because of the inevitable variation in the cultural frameworks through which language<sup>7</sup> is understood”.

## 2.2. *Uchi* (うち) and *soto* (そと): An organisational perspective

*Uchi* and *soto* are two meaningful and culturally specific notions which are deeply rooted in the Japanese psyche and have a significant impact on everyday behaviour, even in contemporary Japanese culture. Needless to say, this profound impact on individuals in the workplace ought not to be neglected, in particular when examining issues regarding adopting English as a *lingua franca* in the context of an organisation. Moreover, these two notions are closely associated with organisational culture. According to Kondo (1990, p. 141), *uchi* refers to

a located perspective: the in-group, the “us” facing outward to the world. It is the *ie*<sup>8</sup> or

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<sup>4</sup> *Ishindenshin* can be translated as ‘tacit understanding’.

<sup>5</sup> *Kukiwoyomu* literally means ‘read the air or atmosphere’, which can be translated as ‘understand the situation’, ‘take a hint’ or ‘read between the lines’, depending on the situation. Nevertheless, it is fairly difficult to find an exact English word or phrase for it.

<sup>6</sup> TOEIC stands for ‘Test of English for International Communication’.

<sup>7</sup> For instance, the English language.

<sup>8</sup> “... *ie* (家) is designated by a character which can mean the physical building of the house or the household link.....Etymologically it carries the meanings of “hearth”, signifying people who belonged to the same domestic group” (Kondo, 1990: 121).

other group to which one belongs.....*uchi* focuses on the household in close-up, as a center of belonging and attachment. *Uchi* defines who you are, through shaping language, the use of space, and social interaction. It instantly implies the boundaries between us and them, self and other. *Uchi* means “inside”..... (Kondo, 1990: 141).

*Soto* is a Japanese word which is opposite in meaning to *uchi* and, therefore, can be translated as “outside” in English. Accordingly, individuals who belong to *uchi* are insiders. On the contrary, those who belong to *soto* are called outsiders. Insiders and outsiders are treated differently; one tends not to reveal their real feelings to outsiders (Kondo, 1990). As Kondo (1990) further details, “[c]rossing the boundaries from *uchi* to *soto* can involve a complete readjustment of behaviour: posture becomes more proper and disciplined, language levels are potentially raised (depending on the status of the addressee), and dress is expected to be more proper, less casual” (Kondo, 1990:141).

In a Japanese organisation, individuals who speak languages other than Japanese are likely to be recognised as outsiders and treated differently. The phenomenon of excluding those who speak different languages from their own group in the workplace is fairly common worldwide and has been identified by researchers (see Born and Peltokorpi, 2010). Language based social identity formation is a terminology used to describe such a phenomenon (Tenzer et al., 2017). Kopp (2000) explicitly points out that non-Japanese employees receive unfair treatment in several respects, including information sharing, career development (e.g., promotion), socialisation and trustworthiness in Japanese MNCs due to their status as outsiders. Language is one element that can trigger this problem. Amending the language policy by adopting English as the *lingua franca* is regarded as a potential solution as it enables firms to rid themselves of language diversity. However, in reality, the problems still remain or even worsen. This would imply that the notions of *uchi* and *soto* in Japanese organisations may transcend the language policy.

### 3. Conclusion

Although research into firms adopting English as an official corporate language has been mentioned over many decades, relevant research specific to Japanese firms is still lacking. Indeed, both the positive and negative consequences of adopting English as a *lingua franca* in Japanese firms have not yet been fully investigated and documented. Additionally, the existing studies in the field tend to focus on large Japanese MNCs. Small and medium sized enterprises (SMEs) have rarely been researched. The influx of foreign workers into the Japanese labour market means that not only do large Japanese MNCs have to deal with language problems, but also domestic SMEs. The different degree of resources available in SMEs means they have to deal with language problems in a slightly different manner. This will be another possible direction for future research to pursue.

Language policy in Japanese organisations really deserves more attention from management researchers.

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