**Navigating Business Relations with Japan**

**Introduction**

Japan, comprising a collection of substantial islands situated off the Eastern coast of China, boasts a population of 126,451,398, ranking it as the tenth most populous nation globally. Despite its relatively small landmass, Japan is among the world's most densely populated countries. The overwhelming majority, 98.5%, of its inhabitants identify ethnically as Japanese (1).

The predominant language spoken and written in Japan is Japanese. While English is part of the curriculum in schools, proficiency remains low, with less than 20% of the population comfortable with basic English skills and fewer than 10% considered fluent (2). This linguistic barrier poses significant challenges for international business dealings with Japanese companies.

However, Japan's economic prowess is formidable, underpinned by a robust work ethic, mastery of advanced technology, and a restrained military budget following World War II. These factors have propelled Japan to claim the position of the world's third-largest economy. The official currency of Japan is the Yen (1).

**Customs**

Japanese customs are deeply ingrained in both daily life and business conduct, deriving from the principles of Shintoism and Buddhism. Mastery of these customs often requires years for Japanese citizens (3).

The term "Gaikokujin" (commonly referred to as "Gaijin") denotes foreign individuals born outside Japan. While Gaikokujin are not entirely absolved from adhering to societal norms, they may find forgiveness more readily if they inadvertently transgress. However, being a Gaikokujin does not serve as justification for neglecting to familiarize oneself with these customs (3).

**Business Meetings**

In the initial encounter with a Japanese businessperson, the exchange of business cards is paramount. It is advised that your business card features one side in English and the other in Japanese, as even English in Japan utilizes the Japanese script known as Katakana when written (3). Business cards are exchanged with nearly every new contact, and instead of handshakes, bowing is customary. Present your card with both hands, ensuring the Japanese script is facing up. Exchange cards starting with the most senior rank and proceeding in descending order, respecting the hierarchy. It is advisable to allow the Japanese senior manager to initiate the exchange to avoid inadvertently disrespecting them by exchanging cards with their subordinates. Never deface or bend a business card, and retain them until all exchanges are complete before storing them in a suitable case (3).

Attire is another crucial aspect of Japanese business meetings. Formal business attire is generally expected, with men typically wearing suits and ties. Lighter colors are preferable in spring and summer, while darker hues are more appropriate for fall and winter. It is advisable to avoid wearing an all-black suit and tie combination, as this is traditionally associated with funeral attire. For women, trouser suits or longer skirt suits in seasonal colors are recommended. Jewelry, high-heeled shoes, and strong perfume should be avoided to maintain professionalism (3).

When preparing for a meeting in Japan, it is customary to call 1-2 hours in advance to confirm your attendance, and if there's a possibility of being unavoidably late, a call 45 minutes prior is recommended. Lateness is greatly frowned upon in Japanese culture. Arriving at least 15 minutes early for a standard meeting, and 20 minutes early for important meetings with senior executives, demonstrates respect for punctuality (3).

For those leading the meeting, meticulous planning is essential. Ensure an exact agenda is prepared, with additional time allocated at the beginning and end, and strictly adhere to the agreed-upon schedule, recognizing the busy schedules of Japanese businesspeople. Utilizing a Japanese-translated presentation and providing printed handouts for the Japanese participants are advisable. If not proficient in Japanese, it's prudent to employ a bilingual interpreter proficient in both English and Japanese (3).

Seating arrangements at the meeting table should be determined by the Japanese hosts, and it's customary to wait until gestured or asked before sitting, as sitting prematurely may cause discomfort. Presentations, particularly PowerPoint, should prioritize the most valuable information on the slides, as Japanese attendees typically consider information presented in slides as significant. Taking extensive notes and demonstrating active interest throughout the meeting are further signs of respect and engagement (3).

Some personal habits to avoid when conducting meetings with Japanese businesspeople:

* Japanese do not generally use handkerchiefs or tissues and do not blow their nose in public; neither should foreign company executives.
* Do not try to grab a Japanese businessperson by his or her hand to give it a hearty shake at first meeting. Many Japanese seldom shake hands and might be so uncomfortable doing so that they might avoid meeting again. It is best to bow as Japanese do.
* If a Japanese businessman offers his hand then do not use too much pressure during a handshake.
* Do not try to high-five a Japanese businessperson unless you know him very well, especially not in front of his colleagues because it might embarrass him.
* Do not pat a Japanese man on the back or shoulder; even his mother and father might never have done so.
* Do not make small-talk about politics, religion, or family.
* Japanese businesspeople have very strong pride in their company and expect a foreign executive to similarly be proud of his or her employer, so never make derogatory remarks about co-workers.
* Do not badmouth anyone, including competitors because a competitor might be the Japanese side’s next meeting.
* Always smile, act pleasantly, be willing to learn, ask a lot of questions about the Japanese side’s business vision and plans.
* Do not ask questions about the Japanese side’s private or family life. (4)

**Shoes**

It's important to note that various establishments in Japan, including private residences, certain temples, businesses, restaurants, and medical centers, have a custom of requiring visitors to remove their shoes upon entry (3). This practice typically occurs in a designated entrance area known as the genkan. Genkan areas commonly feature a stone floor and a wooden step leading into the building. Visitors are expected to sit on the wooden step to remove their shoes before proceeding onto the wooden floor inside. For those establishments that mandate shoe removal, such as businesses and medical centers, they often provide slippers for visitors to wear indoors (3).

When visiting a private residence, it's generally acceptable to walk around in socks or bare feet, unless the host offers slippers to wear (3). In some instances, slippers may also be provided specifically for use in the toilet area. Additionally, it's worth noting that in Japanese homes, toilet rooms are typically separated from bathing areas (3).

**Meals**

When dining at upscale Japanese-style restaurants, traditional pubs known as "Izakaya," or private residences, it's common to be seated on tatami mats on the floor. A small cushion is typically provided for comfort, and guests are expected to sit cross-legged on it (3). However, this seating arrangement can be uncomfortable for those unaccustomed to it. If possible, guests can lean against a wall for support. For individuals aged 20 and above, a small amount of alcohol may be consumed to alleviate discomfort, although moderation is advised (3).

In more casual settings, such as Izakaya for informal business meals, guests may relax and stretch their legs out in different directions as long as they do not disturb others nearby (3). Lower-end restaurants often offer Western-style seating for convenience. It's essential to defer to the Japanese hosts regarding seating arrangements, as there are specific rules governing seating positions.

Formal meals, typically held at upscale restaurants or private residences, almost exclusively utilize chopsticks as utensils, with Western-style utensils being rare Some rules for using chopsticks:

* Avoid pointing your chopsticks at someone while talking.
* Do not wave your chopsticks around over food on the table.
* Do not point your chopsticks to indicate dishes you think are particularly delicious.
* Do not suck sauces off of your chopsticks.
* Do not rub your chopsticks together or play with them unnecessarily.
* Do not lift food by stabbing it with your chopsticks.
* Do not rest your chopsticks stuck in your food.

When dining in Japan, there are specific etiquette guidelines to follow regarding chopsticks and drink serving. If you need to rest your chopsticks momentarily, place them over your plate or bowl, or utilize a chopstick holder if provided. In the absence of serving utensils, you can use the thicker ends of your chopsticks, opposite to where you eat from, to serve food onto your plate. It's important to take only what you can eat and to finish everything on your plate, including all rice, as this is considered proper dining etiquette (5).

Additionally, when serving drinks, it's customary to offer and pour everyone else's drink before serving your own. Making a toast with the Japanese word "kampai" is a widespread practice in Japan (6).

**Navigating Japan**

**Transportation**

Foreign visitors typically arrive in Japan via one of four airports, with two located near Tokyo, the country's central capital, and two in Osaka, the second largest city situated in a more southern location. From these airports, taxis or hired cars offer convenient transportation options within Tokyo or Osaka at reasonable rates. However, if your destination lies outside these metropolitan areas, train travel becomes a common mode of transportation. Japan boasts an extensive rail network connecting almost all parts of the country, although it can be costly; in some cases, taking a regional flight to destinations like Sapporo or Okinawa may offer a more economical alternative.

For those opting for train travel, the Shinkansen, also known as the bullet train, is accessible from Tokyo Station in Tokyo and Shin Osaka Station in Osaka. Most hotels and businesses are within walking distance from train stations, and for those that aren't, taxi stands are typically available to cover the remaining distance. It's worth noting that as you move away from major train stations, English proficiency among taxi drivers may decrease.

If renting a car is necessary, visitors must possess an International Driver's Permit, as United States driving licenses alone are not valid in Japan. Additionally, it's important to remember that traffic in Japan operates on the left-hand side of the road, in contrast to the United States.

**Money**

Japan operates primarily on a cash basis, with debit and credit cards being uncommon. Although credit card adoption has been on the rise in recent years. Therefore, it's advisable to ensure you have an adequate amount of cash before your arrival or to exchange currency at the airport. Japan is generally regarded as a safe country for carrying significant sums of cash. It is not unusual to pay for even small purchases with large denomination bills.

When settling payments at businesses or restaurants, it's customary to place your money on the counter or in a small tray next to the register, rather than handing it directly to the cashier. Tipping is not expected in Japan and can even be perceived as rude in some situations.

**Conclusion**

Despite the numerous rigorous customs, intricate etiquette, and significant language barrier, engaging in business with Japanese companies and professionals can yield substantial rewards. Japanese businesspeople are renowned for their unwavering work ethic and steadfast loyalty to their business relationships. They take pride in delivering exceptional quality, stability, and craftsmanship, qualities often unmatched in other nations. These attributes contribute to Japan's robust economy and establish them as trustworthy business partners.

Moreover, Japan offers a unique blend of exotic charm and warmth, making it an inviting destination for personal exploration alongside business endeavors. Therefore, if you find yourself in Japan for business, it may be worthwhile to allocate some personal time to discover the country's rich culture and diverse landscapes.

**References**

1. https://www.cia.gov/library/publications/the-world-factbook/geos/ja.html
2. https://www.mitsue.co.jp/english/knowledge/blog/ux/201709/14\_1700.html
3. https://en.wikipedia.org/wiki/Gaijin
4. http://www.venturejapan.com/business-in-japan/doing-business-in-japan/secrets-of-japanese-business-etiquette/
5. https://www.tripsavvy.com/japanese-dining-etiquette-1458301
6. https://www.themuse.com/advice/business-dinner-abroad-a-crash-course-in-japanese-dining-etiquette