

An Observation of the Superior-subordinate Relations in Japanese Companies in Japan and Sweden: Comparative Case Study on Nikon and Sony Mobile

Author: Alina Shteynbok
Supervisor: Tommy Shih



Abstract

The aim of the thesis is to research and compare the situation of management practices in Japanese companies in Japan and in Japanese companies abroad after a joint venture termination, particularly in Sweden. The changing in management style when Japanese companies go abroad is a highly researched topic. However, not that much research has been done on the Japanese companies in Sweden, specifically, in term of management practices transformation due to the different institutional environments. Moreover, this research aims to see the influence of institutional environment on management practices in the Japanese company in Japan and in the newly established Japanese wholly-owned subsidiaries abroad after a joint ventures termination. The differences in management practices are explained by the process of institutionalization. The empirical materials were gathered during the interviews with employees of Nikon Corporation in Tokyo, Japan and employees of Sony Mobile in Lund, Sweden. The analysis of these findings shows that the management practices are in a strong correlation with the institutional context of the countries. Furthermore, the process of institutionalization of a newly established Japanese subsidiary abroad is influenced by its joint venture experience.

Key words: institutional theory, the process of institutionalization, Geert Hofstede's cultural dimensions theory, management practices, joint ventures, Nikon Corporation, Sony Mobile.

Contents

List of tables.....	4
1. Introduction.....	5
1.1 Background.....	5
1.2 Aim of the thesis.....	6
1.3 Research questions.....	7
1.4 Methods.....	7
1.5 Dispositions.....	7
2. Theories.....	8
2.1 Institutional theory.....	8
2.2 Geert Hofstede's Cultural Dimensions Theory.....	12
2.3 Japan and Sweden in Geert Hofstede's Theory.....	15
3. Literature review.....	18
3.1 Japanese Subsidiaries Abroad.....	18
3.2 Joint Ventures.....	20
3.3 The History of Sony Mobile in Sweden.....	22
4. Methodology.....	23
4.1 Research design.....	23
4.2 Data collecting.....	25
4.3 Trustworthiness.....	26
4.4 Ethical consideration.....	27
4.5 Limitations.....	27
5. Empirical materials.....	28
5.1 Findings from the interviews at Nikon Corporation in Tokyo, Japan.....	28
5.2 Findings from the interviews at Sony Mobile in Lund, Sweden.....	32
6. Analysis.....	36
6.1 How do Japanese companies in Sweden differ in their management practices in case of joint ventures termination compared to the classical Japanese companies in Japan?.....	36
6.2 How do these differences can be explained by a new wholly-owned subsidiary' s process of institutionalization?.....	40
7. Conclusion.....	45
8. References.....	47

List of Tables

Table 1. Geert Hofstede's Dimensions

Table 2. Differences between Japan and Sweden according to Hofstede's theory

Table 3. The characteristic of Nikon Corporation's interviewees

Table 4. Summary of the findings from Nikon Corporation

Table 5. The characteristic of Sony Mobile's interviewees

Table 6. Summary of the findings from Sony Mobile

Table 7. Differences in working life between Nikon Corporation in Tokyo, Japan and Sony Mobile in Lund, Sweden

Table 8. Similarities between Japanese social institutions and Nikon Corporation

Table 9. Similarities between Sony Mobile and Swedish and Japanese social institutions.

1. Introduction

1.1 Background

The Asian region is considered to be successful in terms of economic development where Japan is the first country of the East Asian Miracle. (The World Bank, 1993 p 2). The country had advanced and developed economy even before the Second World War. After the war the country experienced incredible economic growth that was followed by other Asian countries. “Due to the dramatic improvement of Japanese economy since World War II, Japanese business has become surrounded by myth on the West” (Brown et al., 2004 p 226). Though the Japanese economy is in stagnation now compared to its past (Ohtsu, Imanari, 2002 p 311), a lot of countries are still looking forward to collaboration with Japan. Therefore, not only economic features but also the business structure of Japanese companies has been researched by many scholars.

Japan has developed an unique management system and a distinctive corporate style (Haghirian, 2010 p 1, Westney, 2002 p 25). The company is considered to be a second family where intensive socialization is encouraged (Jackson and Tomioka, 2004). This kind of business practice benefits Japan’s economy since it reflects its social and historical culture of “being happy in obedience” (Whitney, 1994 p 100). “The traditional importance of group solidarity and cohesion has enhanced managerial control but also required that managers are closely involved with a work group. These practices seem to have been transferred to managerial roles in Japanese firms” (ibid., p 116). Even though nowadays, Japanese management changes due to economic stagnation and the influence of globalization (Haghirian, 2010, Jackson and Tomioka, 2004), there are some values and patterns that appeared to be imperishable. The strict hierarchy system, seniority, obedience to authority and group orientation are some of these values.

As it was already mentioned, a lot of countries are looking for cooperative business with Japan. However, this process is mutual. Japan also seeks for cooperation with other developed countries. Therefore, many Japanese companies established subsidiaries in all parts of the world. Sweden is not an exception, for example Nissan, Sony, Honda, Toyota and other Japanese companies have subsidiaries there.

Besides, there is a joint venture phenomenon that has increased in the last 20 years due to the globalized economy. (Lowen, Pope, 2008 p 62). “American and European multinational enterprises have begun to link up with Japanese firms for joint ventures in the non-Japanese partner's home country” (ibid.). However, “due to the differences in national and organizational cultures, conflicts between partners in international joint ventures often arise” (Nguyen, 2011 p 38).

1.2 Aim of the thesis

As a result, when a Japanese company decides to form a joint venture with a foreign company in a foreign country, it should take into account that it should adapt the Japanese management practices to the host country's management practices. Nonetheless, Rod (2009) claims that “joint ventures are inherently unstable and half of joint ventures fail” (ibid., p 3).

Consequently, the question here is whether Japanese companies, that have stayed in a foreign country after the joint venture termination, tend to pursue Japanese management practices. Many researchers have stated that “Japanese companies are Japanese everywhere” (Haghirian, 2010 p 2), but there are also different points of views on this situation. Collectivism and obedience to authority are the most important features of Japanese social and corporation cultures (Whitney, 1994, Jackson and Tomioka, 2004). So, the aim of this paper is to research and compare the situation of management practices in Japanese companies in Japan and in Japanese companies abroad after joint venture termination, particularly in Sweden.

Obviously, being placed in the foreign institutional environment, the Japanese management is expected to transform. However, the question is how the Japanese management practices would change in case of joint venture termination. Does the new wholly-owned Japanese subsidiary follow management practices that have been established during joint ventures years or does it aim to return to traditional Japanese management? This research shows the influence of an institutional environment on the management practices within two Japanese organizations and the role of the process of institutionalization.

1.3 Research Questions

Research Question 1:

How do Japanese companies in Sweden differ in their management practices in case of joint ventures termination compared to the classical Japanese companies in Japan?

Research Question 2:

How can these differences be explained by a new wholly-owned subsidiary' s process of institutionalization?

1.4 Methods

For the current research the qualitative study method is used. This approach permits us to research a specific phenomenon and interpret people's behavior in particular situations. In the current project a cross-cultural comparative design is used. There are two particular cases that are analyzed and compared in detail, and the differences are explained in the analysis. These two cases are situated in two different countries, which makes the comparative design cross-cultural. The data for the current research was collected through semi-structured interviews. These interviews are the primary data in the project that are analyzed through a theoretical perspective.

1.5 Disposition

The thesis is divided into five parts. The first part introduces theories that are used in the thesis. Furthermore, description of Japan and Sweden, according to the theories, is given in the theoretical part. The second part is a literature review about Japanese management abroad and about joint ventures experiences. The third part is a presentation of methodology that describes research design and methods that have been used during the research for collecting and analyzing data. The fourth part concerns empirical materials and illustrates the findings that were gathered during the interviews. The fifth part is the analysis of the findings that is done in accordance with the theoretical framework and research design. Finally, the main arguments are summarized in the conclusion.

2. Theories

The aim of the theoretical chapter is to describe and to justify the choice of the two following theories- institutional theory and Geert Hofstede's cultural dimensions theory. Institutional theory is used in the current project as a theoretical framework to analyze the findings. Hofstede's cultural dimensions theory is used for the description of the Japanese and Swedish social institutions.

2.1 Institutional theory

An increasing number of Japanese organizations are becoming multinationals. Multinational companies play a crucial role in the world economy now (Forsgren, 2008 p 5). In this research the institutional theory is used as a theoretical framework. “The institutional perspective developed in response to the growth of the newly industrializing Asian economics in the 1970s and 1980s, growth which was partly attributed to cultural factors” (Guirdham, 2009 p 6). That is why particularly this theory should be used in the current research. Institutional theory is the theory that deals with the cultural contexts of countries where the companies are embedded.

As a result, institutional theory emphasizes not only the establishing of business relation with partners and customers, “but also the managing to establish the support of the surrounding society” (ibid., p 130). The main focus of the institutional theory is the imitation of organizational structure and routine in accordance with the expectations of one society and norms of institutional environment. (DiMaggio, Powell, 1983 p 150). The theory also advocates the idea that both the firm and the society influence each other and must adapt to each others rules and regulations. (Forsgren, 2008 p 125).

There is no single definition of “institutions”, however, Scott (2001) has described them as “social structures that are composed of cultural-cognitive, normative and regulative elements that provide stability and meaning to social life”. Institutions tend to be maintained and reproduced across generations. (Greenwood, 2012, vol I, p 220). The basic components of institutions are traditions and taken-for-granted rules, norms and cultural values. These rules and regulations provide expectations of what is treated as appropriate behavior of individuals or organizations. Institutions help with guidelines of what is a good action and what should be constraint. (ibid., p 221). Institutions also affect behavior of people. Sometimes people cannot even realize that they behave in accordance with institutions.

Meanwhile, the behavior that is invisibly controlled by institutions is seen as normative actions by the other people in the society who share the same institutional values. (Guirdham, 2009 p 12). Consequently, the management system in any country is constructed in accordance with the institutional environment and social rules.

Institutional environment naturally consists of institutions like families, universities, organizations or institutions of justice and cultural institutions. (Lammers, Barbour, 2006 p 357). As a result, a newly established foreign subsidiary can be seen as a fresh institution that should be developed by the process of institutionalization. Forsgren (2008) described the process of institutionalization as “one of organic growth wherein the multinational firm adapts to the strivings of internal groups and the values of the society in which the firm is active” (p 126). The main issue of the institutionalization process is that the institutional environment has a great impact on the company, as well as the company also affect the institutional environment. (ibid., p 131). Organizations attempt the process of institutionalization in order to increase legitimacy “where certain practices can be seen as the only natural way of action” (Washington, Patterson, 2011 p 5).

The process of institutionalization implies three important sub-processes. The cross-national transfer of policy, process of gaining legitimacy within the new environment and the isomorphic conflict (Forsgren, 2008 p 131).

Transfer of policy is a crucial part of the process of institutionalization within the subsidiary in the host country. The company’s policy is supposed to be modified, according to the institutional context and the institutional distance. This also means that when going abroad, the company should change and adopt its management style in accordance with the institutional environment of a foreign country. According to Forsgren (2008), it is very difficult to separate certain knowledge and policy from the environment where they were created, and this produces difficulties in the transfer of policy (p 131). It is important to understand that the main difficulties are located outside the subsidiary itself, in the institutional context of the host country. Thus, the life of any organization depends on the external social institutions, social values and expectations of the society. The institutional theory predicts that the bigger the institutional distance, the more difficult it is to transfer the management practice of a home country to the new environment.

Institutional theory emphasizes legitimacy of a firm. The process of gaining legitimacy is an integral part on the institutionalization process. Legitimacy means that organization is appropriate with the certain society, its norms and social and cultural values. (Greenwood et al., 2012, vol I, p 9). This approach implies the importance for any company of gaining the trust of the society, especially in a foreign country. This means that a company should also gain credibility in a particular country and its institutional environment. In this process communication between organization and audience plays crucial role. In order to be successful in this entrepreneurship, a company should know the institutional context of a certain country. Adaptation to social institutions and values become crucial for any multinational company. (Forsgren, 2008 p 126). The most important part of this process is to understand the explicit and implicit rules of the institutions. “These rules crystallize the expectations the society has of the firm and a firm entering this society has to adapt to these expectations” (ibid., p 128). This is the way how legitimacy should be attained. However, the important part of the process is duality. Not only must the firm adapt to the society, but sometimes the society has to adapt to the large enterprises, that have entered in. (Forsgren, 2008 p 128).

The third sub-process of the institutionalization process is isomorphic conflict. It is said that the companies tend “to become isomorphic with their environments” (Greenwood et al., 2012, vol I, p 9). That means that an organization tends to modify its characteristic in order to increase compatibility within new environment. “Organizations look for the environment for clues to understand appropriate courses of action” (Washington, Patterson, 2011 p 3). “Adopting of legitimated elements, leading to isomorphism with the institutional environment, increases the probability of survival” (Greenwood, 2012, vol I, p 125). According to the institutional theory, only adaptive companies can survive. Any foreign company is supposed to “do as Romans do” by following the social rules, values and norms of the host country. (Forsgren, 2008 p 133). Nonetheless, every company in a foreign country has two different environments: one is the institutional environment of the host country and the other is the norms and rules of the home country. (ibid., p 134). Thus, a company should accept norms of a host country and, at the same time, it should follow the common practices and rules of its headquarters in its home country as well. This “isomorphic conflict in the multinational firm is manifested in a never-ending process, even though one pressure can dominate over the other in a specific situation” (ibid., p 134).

As a result, according to institutional theory, countries should be seen as the new and unfamiliar environment with different social rules and values. “Organizations require more than material resources and technical information if they are to survive and thrive in their social environment. They also need social acceptability and credibility” (Scott, 2012 p 237). Consequently, the foreign company can become successful only when its institutionalization process leads to isomorphic changes and to the legitimacy gaining of the society in a host country (Greenwood, 2012, vol I, p 15). In general, it is natural to foresee the changes in one company management practices when it establishes subsidiaries in other countries, especially in the countries with big institutional distance. Before going abroad a multinational company should know the institutional environment of another country and what is considered as appropriate behavior in a foreign culture (Forsgren, 2008 p 131). The differences in institutional environment will definitely affect the company and its management practice.

Moreover, there also exists the joint venture phenomenon. “Joint ventures are contractual cooperative forms in which two parent firms share ownership of a third organization, the joint venture” (Adobor, 2004, p 161). When a company decides to create a joint venture in another country, it should understand that in order to succeed, it should become adaptable to a foreign partner's rules, regulations and management, as well as to the social institutions of a foreign country (Rod, 2009 p 4-5). Brown et al (2004) claims that “ in order for joint ventures between Japanese and Western to succeed, it will be necessary to improve management's information about their partners” (p 240). This implies the understanding of a country's social institutions, norms and also management practices. It is said that “social-cultural environment can influence joint venture performance and different management cultures can lead to conflicts and ineffective working process” (Rod, 2009 p 5). So, for any foreign partner of a joint venture it is important to adapt the management practices of that country where the joint venture is situated. As a result, a foreign partner of a joint venture should follow the same process of institutionalization as a foreign subsidiary in a host country. Consequently, the more years a foreign firm spends in a joint venture, the easier in will be to operate a wholly-owned subsidiary in case of a joint venture termination. (Lowen, Pope, 2008 p 67).

2.2 Geert Hofstede's Cultural Dimension Theory

For the current paper it is important to use Geert Hofstede's national cultural dimension theory that is the most famous research that was done on cultures and organizations. (Hofstede, 2001, Hofstede, Hofstede, Minkov 2010). These cultural dimension theory allows us to describe Japanese and Swedish social institutions and to analyze the influence of these institutions on the management practices in both countries.

Hofstede claims that different countries have different institutions like legal systems, governments, education systems, the structure of families, religion and so on (Hofstede and Hofstede, 2005 p 19-20). These institutional differences between countries affect the differences in people's mindset, their feelings and their behavior. Hofstede states that "institutions cannot be understood without considering culture, and understanding culture presumes insight into institutions" (ibid.). Economic, legal, organizational, education systems are not culture free and what works in one country, might not work in another. Also it was said by Hofstede that in order to understand the behavior of managers and their subordinates, it is necessary to understand the societies which they belong to. (ibid.). That implies the understanding of family and school systems, the understanding of historical past and its influence on the present, the understanding of how government affects the society.

In his theory Geert Hofstede developed 5 dimensions of cultures that are power distance, collectivism vs. individualism, uncertainty avoidance, masculinity vs. femininity and "the Confucian dynamic" or long-term vs. short-term orientation (Finch, 2009 p 2). Due to Hofstede's research it became possible to "measure" cultures according to these features. The most important thing is that Cultural Dimension theory has been used mostly to research international business and corporations. Thus, Hofstede's theory should certainly be used also in this research.

Here it is important to explain these five dimensions in details. The first dimension is **power distance**. This dimension deals with the different solutions of the human inequality problems (ibid., p 29). Some countries let the inequality between people grow to inequality in power and wealth. On the contrary, some countries try to diminish inequality as much as possible. However, all societies are unequal but to different extend. According to Hofstede, the centralization of authority as well as leadership style in organizations is explained by the culture of the one certain society, where all the people from different social strata share the same values (ibid., p 97).

The second dimension is **individualism vs collectivism**. This dimension deals with relations between individuals in the society. “It is reflected in the way people live together and it has many implications for values and behavior” (ibid., p 209). In those societies where the ties between members are loose, individuals mostly pursue their own interests and achievements. On the other hand, there are countries where the ties between individuals are very strong. Individuals in these countries are supposed to look after the interests of a group and should share the group values and beliefs (ibid., p 209-213, 225-227, 235-236).

The third dimension is **uncertainty avoidance**. This dimension explains how differently societies face unknown future (ibid., p 29). “Uncertainty about the future is a basic fact of human life with which we try to cope through the dominance of technology, law and religion.” (ibid., p 145). Some societies accept uncertainty and are tolerant to ambiguity. People in these societies are tolerant towards others’ opinions and behavior, they are very flexible. Contrariwise, there are countries with strong uncertainty avoidance. People in that countries prefer structured situations, clear objectives and strict timetables (ibid., p 159, 162, 165).

The fourth dimension about **masculinity vs. femininity** deals with gender inequality and the masculine and feminine values in the society. Hofstede's research shows that “women attach more importance to social goals such as relationships and helping others, while men are focused more on career and money” (ibid., p 279) Hence, there are countries with masculine values such as the importance of authority, performance, achievements and making money. On the other side, there are countries that cherish feminine values like the quality of life and warm relations between people. (ibid., p 297-317).

The fifth and the last dimension is **long-term vs. short-term orientation** that deals with family, work, social life and time orientation in societies, the choice for people's effort: the future or the present (ibid., p 29). According to Hofstede, long-term orientation societies are characterized by orientation towards future rewards, persistence, hierarchy and sense of shame (ibid., p 354, 359). On the other hand, there are short-term orientation countries that are characterized by orientation towards present, personal stability and tolerance for other people (ibid.). People in these countries are looking for quick results (<http://geert-hofstede.com/dimensions.html>).

These five dimensions are illustrated in the following table.

Table 1. Geert Hofstede's Dimensions

Dimension	Explanation
Power Distance	How people manage inequality in the society
Individualism vs. Collectivism	Whether people prefer loosely-knit or tightly-knit framework in the society
Uncertainty avoidance	How do people in the society deal with uncertainty and ambiguity, with the fact that future is unknown
Masculinity vs. Femininity	Whether society prefers masculine values as assertiveness or feminine values as quality of life
Long-term vs. Short-term orientation	How do people deal with time, work, family and social life.

Resource: The Hofstede Centre (<http://geert-hofstede.com/dimensions.html>)

In spite of the fact that Hofstede's research was done in 1970s, the theory is still valid for research differences between different types of national and corporate cultures. (Jones, 2007 p 3). Therefore, in the current research Hofstede's theory is used for the description of the Japanese and Swedish social institutions.

2.3 Japan and Sweden in Hofstede's theory

Japan was characterized by Geert Hofstede as a country with high power distance and with a high level of collectivism, masculinity, uncertainty avoidance and long-term orientation.

Individualism vs. Collectivism. Japan has always been a country with a strong sense of group and collectivist society. Social institutions such as family, school or university are strictly group oriented. Japanese people have always cherished personal relationships and group harmony. People pursue collective goals and maintain group harmony. People are supposed to sacrifice their own interests to the group interests. In Japan people always follow social norms and rules that help maintain harmony. (Hofstede, 2001 p 234-235, 242).

Power distance. The Japanese people accept “inequality” in the society that is based on age, education, background, gender and other features. Every social institution in Japan is characterized by centralized authority, autocratic leadership, paternalistic management style, hierarchical levels, and expectation of inequality and power differences by members of a group. Children and students should obey to their parents and teachers and not questioning their status. (ibid., p 132, 139).

Uncertainty avoidance and long-term orientation. Japanese people need their future to be known and they think for a long term. The society does not accept ambiguity and avoids risk as much as possible. Uncertainty and differences are both treated as a threat. Japan can be characterized as a country that has lot of written and unwritten rules to follow, and permanent attempts to create more security. (ibid., p 150, 154, 179). Besides, as a long-term orientation society, Japan pursues persistence, hierarchy and sense of shame. Time is seen as money and hard-working is absolutely necessary. In addition, since Japan pursuing Confucian values, the stability in the society should be based in the hierarchy and a family is supposed to be a model of all social organizations. (ibid., 352-354)

Masculinity vs. Femininity. Japanese society cherishes such “masculine” values as authority, achievements and money- making. Thus, people in Japan are already born in group-oriented families with a centralized authority. During the school and university years people learn by heart such values as collectivism, hierarchy, authority, the importance of education and status. As a result, these features are automatically transmitted to the job places in organizations. (Hofstede, 2001 p 285, 292, 303, 314).

Sweden has the opposite characteristic. This society is believed to have low level of power distance, uncertainty avoidance and long-term orientation, while the levels of femininity and individualism are high.

Individualism vs. Collectivism. The sense of a group is not that strong in Sweden and people prefer to be individuals as well. They usually put their interests over the interests of a group. People tend to think about their own goals, cherish independence and have their own opinion. Also people prefer to work individually rather than in group and the task is more important than relationship within a group. The group has a small influence on individual's interests and life style. (ibid., p 222, 242, 252).

Power distance. Swedish society and social institutions are characterized as egalitarian and very tolerant. People are supposed to be on the same way and not to be superiors. Egalitarianism is present in every social institution from school to government, and organizations are no exceptions. Children in families and students in schools and universities are supposed to be consulted. Every group is characterized by decentralized authority, flat organizational structures and tendency towards egalitarianism. (ibid., p 104, 110).

Uncertainty avoidance and short-term orientation. Uncertainty avoidance is quite small in Sweden. People are very tolerant to ambiguous situations and accept risk. Swedes are also tolerant to people who behave in a different way and they are tolerant to different opinions. Overall, people are curious about things that are different. The society has very few rules to follow and the same can be said about organizations within this society. (ibid., p 158, 172, 179). Besides, Sweden is supposed to be a more short-term oriented country, so, time is used as a framework for orientation, overworking is used only if it is really necessary. In addition, people tend to pursue personal stability rather than persistence, leisure time values as more important and children in families learn tolerance for other people.

Masculinity vs. Femininity. Swedish society is famous for gender equality. As a result, the society has typical feminine values as the quality of life, warm relations between people, taking care of weak people in their environment. In Sweden non-material success and personal ties are more important than money. As a result, children transfer from institutions as families and schools such values as egalitarianism, personal interests, individual work, decentralization of authority, equality and the quality of life to their future work places. (ibid., p 285, 288, 310, 316).

The differences between the two countries can be summarized in the following table.

Table 2. Difference between Japan and Sweden according to Hofstede's theory

Collectivism	Japan	Sweden
Individualism vs. Collectivism	Collectivism	Individualism
Power distance	High level of power distance	Low level of power distance
Uncertainty avoidance	High level of uncertainty avoidance	Low level of uncertainty avoidance
Long-term orientation vs. Short-term orientation	Long-term orientation	Short-term orientation
Masculinity vs. Femininity	Masculinity	Femininity

3. Literature Review

3.1 Japanese Subsidiaries Abroad

Many Japanese companies nowadays have subsidiaries abroad. Consequently, a lot of research on Japanese companies abroad has already been done. Management practices play an important part in the performance of any Japanese company abroad. According to the institutional theory, Japanese subsidiaries can fail if they are not able to adapt to the new institutional rules of a host country. In this section three Japanese companies are being reviewed as an example of Japanese management practices transferability. These companies are Honda Motors, Astellas and Asics.

All three companies try to maintain their national culture and to investigate a Western type of management practices simultaneously. (Ambosconference, Schlegelmilch, 2010 p 130). The companies realize the need to know the local management in order to avoid conflicts and improve the working process. However, they prefer their top managers to be Japanese even in the regional headquarters.

“Honda Motors Inc., which has its headquarter in Tokyo, is the world's largest motorcycle producer and a major automobile manufacture” (ibid., p 131). The company has a worldwide network of regional headquarters and subsidiaries that work according to company's policy. (ibid., p 217). In 1994 the company decided to establish a number of regional headquarters in order to increase profitability in the global market. As a result, now Honda has six regional headquarters that are situated in the USA, South America, Europe and Asia. Each regional headquarter has local subsidiaries. “One of Honda goals is to find a balance between global integration and local responsiveness” (ibid., p 219). Therefore, even though the headquarter in Tokyo plays the main role in business coordination, regional headquarters are responsible for the regional strategy, and each subsidiary is responsible for the local strategy. (ibid., p 218). In spite of global operations, the company tries to keep Japanese management practices in the regional headquarters and subsidiaries. Thus, top-management positions are occupied by the Japanese managers who keep the Japanese control. (ibid., p 223). At the same time, the company seeks for legitimacy by hiring local people who are not familiar with Japanese management practices. Consequently, there might be “culturally based conflicts between Japanese management and the local staff” (ibid., p 225). Nonetheless, the headquarter in Tokyo after setting goals, gives freedom to the regional headquarters and subsidiaries in implementing these goals. (ibid., 227). Thus, even though the company pursues Japanese management practices in foreign subsidiaries, at the same time it realizes the need for giving a certain level of freedom to local staff.

Another example of the Japanese company abroad is Asics, a global sporting good company with its headquarter in Kobe. (ibid., p 133). As with Honda, Asics has three regional headquarters that are based in the USA, Europe and Oceania. The same as Honda, the main decision are made in Kobe headquarter, though the main headquarter does not control the way of working in the regional headquarters. Even though "regional functional managers have direct contact with the functional managers at Asics in Japan, Asics European headquarters are responsible for managing the European operations and managers have a high level of independence" (ibid., p 148).

The third example of a Japanese company abroad is Astellas Pharma, one of Japan's largest pharmaceutical companies with its headquarter in Tokyo. (ibid., p 136). The company has two regional headquarters in the USA and in Europe, and 18 local subsidiaries. Knowing the need of being adaptable to the local institutions of foreign countries, before going global, Astellas Pharma developed a "generic concept" of management practices that was supposed to be applicable to any country. Managers in regional headquarters and local subsidiaries were supposed to introduce the concept into the local culture. (ibid., p 136-137). Thus, the Astellas Pharma has been able to adapt Japanese management practices to the social institutions of foreign countries where the subsidiaries are based.

These three companies each have their own way of transferring and maintaining Japanese management abroad. Sometimes, it may cause conflicts between the Japanese headquarters, regional headquarters and local subsidiaries. For example, Honda prefers to maintain the Japanese national culture and management style, and it can be difficult for a non-Japanese staff to adapt to these management practices. At the same time, Asics management abroad is very flexible and willing to have a mixture of the Japanese and local management practices. As for Astellas Pharma, in the regional headquarters the company prefers to have Japanese top-managers and non-Japanese employees at staff level. (ibid., p 150).

3.2 Joint Ventures

Along with research on Japanese management abroad, there are also exist research on joint ventures and its failure. Multinational firms enter foreign markets either as a wholly-owned subsidiaries or joint ventures, where wholly-owned subsidiaries usually perform better. (Chang et al., 2013 p 317). However, joint ventures can be preferable if the local companies provides a knowledge and understanding of the local market and society. (ibid., p 318). In this case the relationship, trust and cooperation between two parent companies are crucially important. Every day administration plays no less important role for joint ventures success. “This include an ability to hire, train and motivate employees. Cross-cultural management skills are of interest” (Adobor., 2004 p 163-164). By these means, it is possible to reduce the negative outcome of cultural differences. Moreover, it has been suggested that parents companies may adopt some cultural elements from each other or create a special culture for the joint venture with the aspects of both parents' cultures. (ibid.).

Research also proposes that poor interpersonal relationships and different management cultures may affect the joint ventures performance and lead to conflicts. (Rod., 2009, p 4-5). Joint ventures partners depend on each other and “can develop relationship insecurity which can then influence performance” (ibid., p 6). In addition, the social-cultural environment of both partners in joint ventures can change and, thus, influence the joint ventures performance. “Corporate culture, management style and organizational policies determine the nature of compatibility among partners in joint ventures” (ibid., p 11).

However, the number of researches has been done on joint ventures failures. “Two-third of international joint ventures eventually break up” (Hennart., 1998, p 382). The high rate of joint ventures termination can be caused by conflicts between partners of joint ventures due to the cultural differences. (ibid., p 393). Since any joint venture is managed by two different companies, it is important to find a way to work together. “Joint ventures abroad are often with local firms, and this causes additional problems because individuals living in particular countries tend to share similar values, speak the same language, and conduct business the same way” (ibid., 384). Thus, management problems may lead to conflicts and, as a result, to joint venture termination.

Consequently, a lot of joint ventures have been transformed to wholly-owned subsidiaries. (Chang et al., 2013, p 318). Nonetheless, some scholars believe that joint venture termination should not be seen as a failure but rather “as an optimal adjustment in response to changing environment or firm-specific conditions” (ibid., p 320). The most probable outcome is that wholly-owned subsidiaries may increase control from their headquarters in corporate culture and management systems. At the same time, the joint venture experience has an influence on wholly-owned subsidiaries in terms of management practices.

Finally, it is necessary to speak about Japanese- Western joint ventures. As it is said, “Western firms have a great tendency to enter into joint ventures with Japanese partners” (Brown et al., 2004, p 230). At the same time, Japanese corporations preferred joint ventures in the early stage of European market entry because of the financial costs and the lack of experience. (Ando, 2005, p 110). Nonetheless, a lot of these joint ventures have terminated. Apart from the economical reasons behind these failures, there is also a cultural explanation. It appears that foreigners cannot totally understand and appreciate the cultural differences. “Joint ventures between Japanese and Western firms fail because Western firms are too culture-bound and, insensitive to the nuances of Japanese business practices, and entrenched in their own management practices” (Brown et al., 2004, p 232).

Problems of adapting to new culture always exist in Western-Japanese joint ventures. Scholars also recall Hofstede's research when they talk about Western-Japanese joint ventures. Using his cultural dimensions, scholars conclude that Japan and most of the Western countries are significantly different. “Joint ventures with Japanese firms will generally be more difficult to manage than international joint ventures between Western nations” (Brown et al., 2004, p 234). Indeed, the reality shows the termination of Nissan and Alfa Romeo and Honda and Rover joint ventures. (Ando, 2005, p 112) However, not all Japanese firms are the same, and Westerns firms are also different. As a result, it is very important to choose the right joint venture partner with a compatible organizational culture. (Brown et al., 2004, p 236).

3.3 The History of Sony Mobile in Sweden

As far as the one of cases in the current research is Sony Mobile in Sweden, it is important to tell briefly its history. Sony Mobile is an independent subsidiary of Sony, headquartered in Tokyo, that was established as an independent company in February, 2012 due to the acquisition of Sony Ericsson by Sony. (<http://www.esato.com/news/the-end-of-an-era-sony-ericsson-is-history-2249>). “In October 2011 it was announced by Sony that Sony will acquire Ericsson's stake in the company and that Sony Ericsson will become a wholly-owned subsidiary of Sony” (Sony Ericsson Sustainability Report 2011).

Sony Ericsson was established in October, 2001 as a 50:50 joint venture between two famous companies – Japanese Sony and Swedish Ericsson. “In April, 2001 Ericsson was merging its mobile telephone operations with Japan’s Sony, forming Sony Ericsson with each company owning 50 %. The Japanese electronics giant was to contribute its know-how in design and consumer sales that Ericsson had not been able to acquire” (Ericsson History. com). In October, 2001 the merging was completed. During the decade of its existence, Sony Ericsson had become a very famous and successful company that produced mobile phones, smartphones and cameras. Sony Ericsson products were in high demand. “Over the years Sony Ericsson has brought together the best communication technologies to create its Xperia line of the most entertaining smartphones in the mobile industry” (ibid.).

However, in February, 2012 Sony completed the full acquisition of Sony Ericsson. Sir Howard Stringer, Sony's Chairman, told that “the acquisition makes sense for both Sony and Ericsson. The acquisition will afford Sony operational efficiencies in engineering, network development and marketing, among other areas. Sony can more rapidly and more widely offer consumers smartphones, laptops, tablets and televisions that” (<http://www.techit.in/2011/10/sonys-buying-50-stakes-of-ericssons-share-in-sony-ericsson-worthy-acquisition/>). Besides, Ericsson received EUR 1,5 billion. (ibid.).

Since the Sony Ericsson termination, Sony Mobile moved some departments to Tokyo headquarter, as well as business decision-making. In spite of the headquarter location in London, the Sony subsidiary in Lund is supposed to follow business instructions from Tokyo headquarter. However, Sony headquarter in Tokyo does not interfere in the working process of the Swedish subsidiary. (Interviewee G, July 18, 2013). Furthermore, there is a big R&D department of Sony that is also located in Lund. Thus, it is in Sony headquarter' s interests to maintain Sony Mobile in Sweden. (Interviewee H, July 19, 2013).

4. Methodology

This chapter presents the methodology for the thesis. It introduces ontological and epistemological positions that are used in the thesis and explains the choice. This chapter also explains the choice of cross-cultural comparative design where two representative cases are analyzed and compared. The methodology chapter includes data collecting as well. This part describes how the author got access to the organization and conducted the semi-structured interviews. The choice of semi-structured interviews is justified as well. The chapter ends with an ethical consideration.

4.1 Research design

Epistemology can be described as knowledge about knowledge. In the current research interpretivism as an epistemological position should be used. Interpretivism advocates the idea that people are “fundamentally different from the natural sciences subjects (Bryman, 2008 p 15). Interpretivism says that reality is socially constructed and this approach describes the behavior of actors according to how they experience and share with other actors this socially constructed reality (Symon, Cassell, 2012 p 20). According to interpretivism, social reality “has a meaning for human actions and social scientists should interpret their actions from their point of view” (Bryman, 2008 p 15-16).

Bryman (2008) explains that ontology deals with the question of “whether the social world is regarded as something external to social actors or something that people are in the process of fashioning” (p 13). In short, ontology is a way of viewing the world. Constructionism is an ontological position that asserts that social phenomena and their meanings are continually being accomplished by social actors. It implies that social phenomena and categories are produced through social interactions” (ibid.).

For the current research the case study design should be used. The case study design allows to analyze a single case in detail. A case can be a single organization that implies the study of its culture (Bell, Bryman, 2011 p 59). Thus, a representative case is used in the current research. “This type seeks to explore a case that exemplifies an everyday situation or form of organization” (ibid., p 62). The objective of a representative case study is “to capture the circumstances and conditions of an everyday or commonplace situation” (Bryman, 2008 p 56). These cases are usually chosen because they “can provide a suitable context for certain research questions to be answered” (ibid.).

However, there are two companies to be analyzed in this research, thus there are two cases. So, a comparative design should be used in order to analyze two representative cases. “The comparative design entails the study using more or less identical methods of two or more contrasting cases. It implies that the social phenomena is understood better if they are compared in relation to two or more meaningfully contrasting cases and situations” (Bell, Bryman, 2011 p 63). One of the forms of comparative design that is used in the current research is cross-cultural research. Such kind of research is necessary for examining a particular phenomenon in two or more countries. This research implies the understanding of social reality like institutions, traditions, values in different societies. ”Cross-cultural research in business and management tends to presuppose that culture is a major explanatory variable that exerts profound influence on organizational behavior” (ibid., p 64).

In addition, it is important to mention that findings from the case study cannot be generalized (ibid., p 61). The current two cases comparative design is not an exception. The finding from the two companies cannot be applied to other cases. The goal of any case study, including the currents ones, is to study and to understand the uniqueness of the particular cases.

4.2 Data collecting

The most difficult part in any research is to gain access to a social setting that is relevant to the research problem. (ibid., p 427). Gaining access to the organization is a long process that requires letter writing and meetings that do not guarantee a successful access. It is very important to find a gatekeeper in the particular organization. It may be a manager or just a regular employee. In order to gain access to the company and find a gatekeeper, it is important to use the help of friends, colleagues, academics or other contacts. (ibid., p 428). Sometimes the gatekeeper might be a friend or colleague who works at the particular organization. (Symon, Cassell, 2012, p 37).

The author of the current research had the same difficulties with getting access to the Japanese companies both in Japan and Sweden. It took several months to find Japanese companies that would allow the research. Thus, the two certain companies represent the comparative case study in the current research. Sony Mobile in Lund, Sweden and Nikon Corporation in Tokyo, Japan were the only companies that allowed access. Sending e-mail messages to different companies and official organizations such as the Swedish Trade Council and embassies did not work out. The access was made due to personal contacts.

The author was lucky to find a gatekeeper among her Swedish course classmates one of whose friends work at Sony Mobile in Lund, Sweden. That person agreed to become an initial participant and to be interviewed himself, and also introduced the author to his colleagues who agreed to be interviewed as well. Thus, snowball sampling was used. The snowball sampling implies that the participants volunteer to be part of the research. “Once the contact is made and the data are collected from the initial participant, he or she identifies a number of other participants from the same population and supports gaining access. They in turn will identify further participants and so the sample snowballs” (ibid., p 43). The data from Sony Mobile in Lund, Sweden were collected due to the snowball sampling. All the participants were volunteers and agreed to be interviewed willingly.

The same snowball sampling technique was also used during the data collecting at Nikon Corporation in Tokyo, Japan. During the fieldwork at Waseda University, the author was introduced by one of her teachers to one of the employees at Nikon Corporation. This person was also a volunteer for the current research and was interested in being interviewed. She introduced the author to her colleagues who decided to be interviewed for the current research as well. In turn, one of those people introduced the author to other colleagues who were also interested in the research.

In case study design the certain methods of data collection should be used as participant observations and unstructured interviews. In the current research the semi-structured interviews have been used for collecting data. The specific set of questions, based on cultural dimensions that were borrowed from Hofstede's cultural value dimension theory, was developed for the interviews. Also, it is necessary to mention that while all the interviews in Sweden were conducted in English, interviews in Japan were conducted both in English and Japanese, depended on the interviewee's language skills. The transcript of the interviews has been done immediately after the interviews. The analysis of these transcripts is the core of the analytical part.

4.3 Trustworthiness

Bryman (2012) defines trustworthiness as a “criterion of how good a qualitative study is” (p. 49). Trustworthiness consists of four criteria- credibility, transferability, dependability and confirmability (ibid.). Credibility answers the question how believable are the findings. (ibid.). As it was said above, all the findings in the current research were received through the semi-structured interviews with the employees of the two companies. Thus, the information is received from first hand and it is fair to say that the findings are believable. Transferability answers the question if the findings apply to other contexts (ibid.). This study is focused on the employees in the two certain Japanese companies. This makes the context of the study unique. As a result, the findings cannot be applied to the other contexts, precisely, to other companies. Dependability answers the question if the findings are likely to apply at other times. This also includes that “complete records are kept of all phases of the research process- problem formulation, selection of research participants, fieldwork notes, interview transcripts, data analysis decisions, and so on- in an accessible manner” (ibid., p 392). In these terms, it should be said that the current research responds to all these features. Besides, it is possible to apply this research to the other time, taking into account that the particular two companies are in focus. Confirmability answers the question if the investigator allowed his or her values to intrude to a high degree (ibid., p 49). The findings in the current research are analyzed with the help of theoretical framework. In addition, the analysis is done without the author's personal values influence. Thus, the research has confirmability.

4.4 Ethical consideration

Though the topic of the current research is not very sensitive, the ethical issues must be followed. It is necessary to say that all participants were volunteers and they were free to change their mind about their participation in the research and withdraw (Silverman, 2010 p 155). All participants were informed about the research topic for the master thesis and the questions for the interviews were sent to them in advance. Some of the participants wanted to see the research plan before they agreed to take part in the research. This information was sent to them as well. Besides, in accordance with ethical principles (Bryman, Bell, 2011 p 128), the research participants have been protected and remain confidential. No real name is used in the current research project. All the participants were informed about the methods and aims of the research. In addition, it is important to say that no harm to career prospects and future employment have been done to the participants as a result of his or her participation in the research (ibid).

4.5 Limitations

The current research has several limitations. First of all, despite of the success of getting access to the employees in both companies, none of them occupies a higher position in the company. In fact, all the interviewees were subordinates in their companies. This is the disadvantage of snowball sampling. Besides, language conditions should also be taken into account. While the interviews that were conducted in English went smoothly, several words should be said about the interviews that were conducted in Japanese. Even though the author has good knowledge in Japanese language and was able to conduct the interviews in Japanese successfully, it should be taken into account that the author does not speak Japanese fluently, thus, some nuances might be missed.

5. Empirical materials

The empirical material chapter consists of the findings from semi-structured interviews that were conducted with the employees at Nikon Corporation in Tokyo, Japan and at Sony Mobile in Lund, Sweden. In total 5 interviews were held during the fieldwork in Japan and another 5 interviews were conducted in Sweden. The findings that are presented in the thesis are the summary of the interviews in Japan and interviews in Sweden. These findings illustrate the differences and some similarities between the two companies.

5.1 Findings from the interviews at Nikon Corporation in Tokyo, Japan

During the fieldwork in Tokyo, Japan, the interviews were conducted in the Nikon Corporation Company with regular employees in the Human Resources department. The questions for the interviews were set in accordance with the cultural dimensions that have been described in the theoretical part. The author got access to the human resources division of Nikon Corporation. The interviewees were all subordinates and all of them have been working in small groups and have an authoritative figure to report to. The characteristics of the interviewees are illustrated in the following table.

Table 3. The characteristic of Nikon Corporation's interviewees

Title	Position in the company
Mr A	Senior staff, Human Resources division
Ms B	Senior staff, Human Resources division
Mr C	Senior staff, Human Resources division
Ms D	Junior staff, Human Resources division
Mr E	Junior staff, Human Resources division

Individualism vs. Collectivism. Talking about their work group interviewees admitted that they have quite warm relations with people within the group. Every group has a supervisor. Colleagues show respect to each other and cherish the harmony in the group. Of course, conflicts are not avoidable but they should be solved immediately and in a peaceful way. People within a group are very close to each other and appreciate personal relationship. Interviewees told that they see their work group as a

second family, though the real family is of course far more important. However, no matter how close the relationship are, employees address each by the second name with suffix -san, even if coworkers are the same age. It is not possible at all to address colleagues without a suffix.

All employees work in groups, even if their tasks are individual. It is necessary to share information with colleagues and ask for their help or a piece of advice. It is always better to ask, than to make a mistake. Though, asking too much makes one looks either not skilled or not really well prepared for the work. At the same, reporting about your work process and results to the older colleagues and to the supervisor is very important. In general, Japanese are very good at group work. To be a part of the group is very important and everyone is supposed to share information. This practice helps to avoid risk and uncertainty.

Power Distance. The interviewees told that in case they have a question to their boss, they should make an appointment by e-mail and clearly state the problem and questions that they would like to discuss. One should be very careful while formulating questions and talking to a superior. If one wants to talk to the head of the department or to the president of a company, it is not only necessary to make an appointment. Going up on the hierarchy ladder step by step is crucially important. It is not possible to miss one step before you reach the president. Some problems might be solved before they reach the president. If one wants to talk to the head of department, for example, he or she should firstly consult the group supervisor; otherwise, it is very impolite and shows disrespect to the supervisor. It is even better if a supervisor sends an email and asks about the appointment for his or her employee.

Uncertainty avoidance. Decision- making process is a crucial part in the Japanese company. It is important to listen to everyone and take into account all opinions. People discuss and suggest a lot, it is not possible to come to conclusions during only the session. All employees are allowed to make different proposals. However, the manager is the person who makes the final decision and takes the responsibility for the result. The manager reports to the chief of the department and the chief of the department reports to the president of a company. Sharing information is crucially important in the decision-making process.

Long-term orientation vs. Short-term orientation. As for the working hours, employees are supposed to work from 9 am to 5 pm. However, it is very usual to stay for 1-3 hours after work. Sometimes, it is necessary to work for 14 hours a day. It is almost impossible to leave the office if the manager still works. Overwork is a usual practice. During the interviews it was found that people work for the future results and the working process is very important for the final result. Hierarchical ladder and many rules and norms help to organize the working process and achieve good results.

Masculinity vs. Femininity. During the interviews it was found that harmony in the group and in the whole company is very important. Most people cherish devotion to the company and relations within the group. Besides, these relations should be positive and peaceful, so the working result is good. Caring about people is very important. One can never get fired in the Japanese company; any employee becomes an integral part of the company and should be proud for this.

During the interviews the question about harmony within the company was also asked. The word “harmony” in Japanese language sounds as “*wa*” and this concept can be found in any Japanese group- family, school class, work group, the company etc. The interviewees told that *Wa* is an integral part of the company and nothing can work without *Wa*. The concept of *Wa* is the most important part in Japanese companies, without it the company can never be successful. Being part of a work group, the devotion to the company itself, sharing information and respect towards the colleagues are some aspects of *Wa*. Employees should learn from their superiors about what *Wa* means and how to follow it. *Wa* is learning during the process of work. Drinking after work with colleagues – *nomikai* - is also a part of *Wa*. It was found that *nomikai* is a crucial part of working process as well. People in the company should have *nomikai* at least once a week. *Nomikai* is the way to improve the social networks between people in the company. This is the time where one can solve conflicts in the informal atmosphere and discuss important or sensitive issues with the boss without making an appointment. Sometimes, it is better to raise some sensitive questions during *nomikai*.

The summary of the findings is presented in the following table.

Table 4. Summary of the findings from Nikon Corporation

Dimensions	Features
Individualism vs. Collectivism	Working group as a second family, working only in groups
Power distance	Hierarchical ladder is very strict and supposed to be followed, it is not possible to skip steps on this ladder
Uncertainty avoidance	Sharing information, avoiding new practices
Long-term orientation vs. Short-term orientation	People work for the results in the future, overworking is usual practice, hierarchical ladder is very strong
Masculinity vs. Femininity	<i>Wa</i> is very strong, <i>nomikai</i> is part of the job, warm relations between colleagues, company cares about people

5.2 Findings from the interviews at Sony Mobile in Lund, Sweden

The situation with Sony Mobile in Lund, Sweden was more complicated. Taking into account that Sony Mobile used to be a part of Sony Ericsson joint venture, two sets of interviews were taken with the regular employees in the Consultant Business unit at Sony Mobile company. All these employees worked at Sony Ericsson before the joint venture termination. Thus, the first set of interviews was done in March 2013, while the second one was done in July 2013. The aim of the interviews was to see the differences in management practices after the joint venture termination. All the interviewees were also subordinates who have been working in small groups that have chiefs. The characteristics of these interviewees are illustrated in the following table.

Table 5. The characteristic of Sony Mobile's interviewees

Title	Position in the company
Mr F	Senior engineer, Consultant Business Unit
Mr G	Senior engineer, Consultant Business Unit
Mr H	Senior engineer, Consultant Business Unit
Mr I	Junior engineer, Consultant Business Unit
Ms J	Junior engineer, Consultant Business Unit

The interviews told that after the joint venture termination several departments of Sony Mobile were moved to Japan, thus, the amount of workers decreased dramatically. Besides, in spite of the fact that the regional headquarter is situated in London, all important business decisions are made in Tokyo now, and Sony subsidiary in Sweden must follow these decisions and instructions. However, Sony headquarter in Japan almost does not interrupt into the working process in Sony Mobile in Sweden, realizing that the saving local management practices to large extend would be better for working process and, as a result, to production. (Interviewee G, July 18, 2013. Interviewee H, July 19, 2013).

Individualism vs. Collectivism. Interviewees said that they work in small groups of 10-15 people and are quite open with each other and flexible. Some people work out together and spend some free time together. People communicate with each other very direct and open. There are almost no gossips. The employees told that they do not feel any pressure at all. Normally people are not very competitive. If one starts to compete with everyone, he or she will lose because people stop liking and

helping that person. However, none of the interviewees told that the working group is like the second family. It was told that some of the colleagues can be even close friends but they are definitely not the second family. There is nothing like family obligations between colleagues. Still, people address each other by their first names only. The hierarchy status, work experience or age do not matter in these terms.

Even though the employees work in groups their tasks are individual only. They can consult with their colleagues and share experience but this is not obligatory. However, it is common to ask or to be asked for a piece of advice, suggestion or opinion. But no one offers his or her help until a person directly asks for it. At the same time, asking for help is absolutely normal. There is no formalized mentoring. Overall, employees at Sony Mobile in Sweden work individually and everyone is responsible for his or her own task. At the same time the atmosphere in the working group is informal and sharing experience and asking for help is not an obligation towards the group members but an evidence of friendly and non-competitive relations between colleagues.

Power distance. Before the joint venture termination, all business decisions were made in Sweden, and employees had rights to disagree. However, after the acquisition of Sony Ericsson all business decisions are made in Tokyo headquarter. Thus, Sony employees in Sweden cannot disagree or suggest their ideas. They should only follow the instructions from Japan. Nonetheless, the interviewees responded that if they have questions to their bosses in Sweden, they can go to them directly without any appointment. Subordinates do not have a feeling that their boss is an authoritative figure. He or she is like a regular colleague. Employees are allowed to ask any question about work. Besides, it is necessary to mention that even after the acquisition, there are no Japanese staff at Sony Mobile in Sweden so far. This means that there are no Japanese managers to establish and keep the Japanese control. As a result, in case if an employee would like to talk to someone who occupies higher positions than his or her boss, it is possible to go directly to that person without an appointment and without asking the boss. The hierarchical system is still very flat and the relations between people are quite informal. However, the employees cannot directly ask questions their superiors in Japan, as well as they cannot object and question the decisions that have been done on the headquarter. Though, they can ask their boss in Sweden to discuss issues with managers in Japan.

Uncertainly avoidance. Decision-making process is also important at Sony Mobile. During these meetings employees discuss advantages and disadvantages of different issues. They can always propose a solution, suggestion or share their experience. However, there is no guarantee that the idea will be accepted. At small meetings people can say and suggest whatever they want. But during the bigger meetings one should think clearly and be absolutely sure that the suggestion is relevant. The idea should fit the business process, otherwise it will not be accepted. The manager is the person who is responsible for the final decision. Work is supposed to be discussed during daily 15-minutes long meetings. This is the time where every employee should speak about his or her task, share information, provide suggestions, ask for the colleagues' and boss's opinions. It is very important to state here that after the joint venture termination, there are much more Skype conference with the headquarter in Tokyo. Not only top-managers but also regular staff should participate in these conference. The participation can be in group only. Besides, employees in Sweden are given instructions on how to talk to Japanese colleagues and managers. Precisely, people are taught to be much more formal and very polite. Also it is recommended not to say “no” directly, as well as not take Japanese “yes” as an agreement.

Long-term orientation vs. Short-term orientation. The working day can vary. However, people do not work more than 8 hours a day. People start working at 8-9 am and finish the working day at 4-5 pm. Only if there is an urgent task that must be done in time employees can stay at the office till 6 pm, but not longer. If a boss asks the subordinate to stay at the office after working hours, most likely this person would refuse. People appreciate their private lives very highly. Besides, breaks for coffee and lunch are obligatory in the company. Colleagues go for lunch together but they do not talk about the work during these breaks. This part of working life has not changed much after the joint venture termination. Nonetheless, employees should work hard since they must meet the deadline stated by the headquarter in Tokyo.

Masculinity vs. Femininity. The interviewees told that the company maintains the result and business process. A peaceful atmosphere in the group is surely important but these issues depend on the employees themselves. Good relations between colleagues are maintained by colleagues if they wish. For some people the result is the most important, for others- good relations with colleagues. In general, relations within and outside the group is up to people. These relations should not influence the working process. Of course, it is important to be in a good relations with colleagues but no one can avoid conflicts. Employees can argue all the time and conflicts are part of the working process. People value

personal life more than the office life. There is nothing like nomikai. The company may organize some activities but they are not obligatory. Usually single people take part in them. There is always the Christmas dinner organized by the company, however, the attendance is optional. Personal life is the priority. These features have not changed after the acquisition of Sony Ericsson.

The summary of the findings is presented in the following table.

Table 6. Summary of the findings from Sony Mobile

Dimensions	Features
Individualism vs. Collectivism	People work individually, even though they can consult with colleagues, no personal obligations towards colleagues
Power distance	Still very flat hierarchical ladder, skipping steps is normal, no Japanese staff, no control from Tokyo headquarter. Though employees cannot question the decisions and talk directly to managers in Japan
Uncertainty avoidance	People take risk willingly, admire new practices, learn how to talk to Japanese colleagues in Japan
Long-term orientation vs. Short-term orientation	People work for a quick result, overworking is hardly possible, hierarchical ladder is flat
Masculinity vs. Femininity	Warm relations between colleagues are important but no one can avoid conflicts, personal life is more important than office life

6. Analysis

The analysis chapter consists of two parts. The first part illustrates the differences from the findings between Nikon Corporation in Tokyo, Japan and Sony Mobile in Lund, Sweden. This part answers the first research question: How do Japanese companies in Sweden differ in their management practices in case of joint ventures termination compared to the classical Japanese companies in Japan? There are five selected cultural dimensions that help to structure and to present the differences. The second part conducts an interpretative analysis of empirical material with emphasis on management practices after joint venture termination. The second part of analysis answers the second research question: How do these differences can be explained by a new wholly-owned subsidiary' s process of institutionalization?

6.1 How do Japanese companies in Sweden differ in their management practices in case of joint ventures termination compared to the classical Japanese companies in Japan?

This chapter consists of comparative analysis of the findings during the interviews. The analysis shows that the working life and the management practices are very different in Japanese company in Japan (Nikon Corporation) and in the Japanese wholly-owned subsidiary after joint venture termination in Sweden (Sony Mobile). The general differences are presented in the following table.

Table 7. Differences in working life between Nikon Corporation in Tokyo, Japan and Sony Mobile in Lund, Sweden.

Dimensions	Nikon Corporation	Sony Mobile
Individualism vs. Collectivism	Very high group orientation	Moderate group orientation
Power distance	Quite high power distance	Very low power distance. Flat hierarchy system
Uncertainty avoidance	Strong uncertainty avoidance. Avoiding new ideas and strategies.	Weak uncertainty avoidance. New ideas are always welcome.
Long-term orientation vs. short-term orientation	High level of long-term orientation. No quick results are expected.	Low level of long-term orientation. Quick results are expected.
Masculinity vs. Femininity	Low level of masculinity	Low level of masculinity

Individualism vs. Collectivism. One of the crucial differences between Nikon Corporation in Tokyo and Sony Mobile in Lund is the perception of the working group. In Japan an employee is supposed to be an integral part of a group, of the department, of the company itself. Devotion to the company and to the collective is the essential part of the everyday office life at Nikon Corporation. Every employee has his or her own individual task to be done. However, not sharing the working process with other colleagues who also have their individual tasks is impolite. Moreover, addressing each other by the second name with suffix *-san* is more than necessity.

At the same time at Sony Mobile in Lund employees see their personal life as the priority. Being an individual in the group is very important. Every employee has an individual task and is supposed to do it individually. Asking for help is normal, though there is no necessity in sharing experience and asking for a piece of advice. These actions are done according to the employees wish. Not doing this, does not mean that the employee shows disrespect to the group and to his or her colleagues. Besides, everyone addresses each other by the first name. The status, age, the year in the company does not matter in this situation.

Power distance. The relations with authority are very different at Nikon Corporation in Tokyo and Sony Mobile in Lund. At Nikon Corporation in Japan if an employee wants to talk and to discuss some issues with a group supervisor, in most cases it is very easy. Still, sometimes there are situations that need an appointment before going. If an employee wants to talk to the manager of the department, the appointment is obligatory. In case if an employee wants to talk to someone who occupies a higher position on the hierarchical ladder, or especially if he or she wants to discuss some issues with the president of the company, following the hierarchical ladder is an absolute necessity. Every meeting should be arranged by appointment and every person on the ladder should be informed about the situation. The only possible opportunity to skip one step is *nomikai*. Sometimes during *nomikai*, one can talk to the head of department, for instance.

At the same time the situation at Sony Mobile in Sweden is much easier. Every employee is able to talk to any authoritative figure in the Swedish subsidiary without following the hierarchical ladder. If one wants to talk to the manager of the head of the department, an appointment is not required. It is not even necessary to inform the boss about the necessity and reasons of talking to his or her superior. The appointment might be required if one wants to talk to the president, though it is not obligatory to state the purpose of visit while making an appointment. In general, the hierarchical ladder

is as flat as possible and subordinates see their superiors as colleagues rather than authoritative figures. There are just minor changes in these practices after Sony Ericsson termination. However, in Sony wholly-owned subsidiary in Lund regular employees are able to talk only to their boss in Sweden, though not in Japan. Only managers can talk to their Japanese colleagues.

Uncertainty avoidance. However, both companies are a little similar in terms of decision-making process. In both companies decisions are supposed to be done by consensus and the manager is responsible for the final decision. The decision-making process takes time and usually people are not able to come to a conclusion during one session only. Every employee is able to share ideas and suggestions. While at Nikon Corporation in Tokyo one is supposed to be careful with suggesting new ideas since Japanese view new topics sensitively in general, at Sony Mobile in Lund one is supposed to make sure that his or her suggestions correlate with the business process. Otherwise, it is better not to suggest anything at all. During the meeting at Sony Mobile every employee should report to his or her own job individually, even during the big meetings. It is also relevant for the Skype conferences. Even though the conferences are in groups and the group leader is the first to talk and to lead the conversation, every employee is supposed to talk about his or her job individually. At Nikon Corporation during the big meetings the group supervisor should report for the whole group. Sharing information and experience, consulting with colleagues, asking for a piece of advice and help are the small things that show respect to the group. Harmony or Wa also depends on these small everyday practices.

Long-term orientation vs. Short-term orientation. The working day at Sony Corporation in Lund lasts for 8 hours and no hour more. Besides, these 8 hours include breaks for lunch and coffee. People are not supposed to stay extra working hours; the private life is the absolute priority for the employees and people never work during the weekends or holidays. Leisure time is very important. Besides, tolerance towards colleagues and subordinates also shows the features of short-term orientation. At the same time at Nikon Corporation the working day is also supposed to last for 8 hours but almost every day employees stay for overwork at least for one hour. Overall, it is usual and normal to stay for 2-3 extra working hours every day. Moreover, if it is necessary to work during the weekend, employees are not expected to refuse. Besides, it is not polite to leave the working place before the boss leaves for home. It shows one's inaccuracy in work and disrespect to the boss and the other colleagues.

Masculinity vs. Femininity. The companies are also similar in terms of aiming for results. The interviewees in both countries told that the business result is the priority. However, at Nikon Corporation employees and their bosses also pay a lot of attention to relations between each other. The result can be successful only if the process is good. Bad relations and conflicts influence the atmosphere in the group and might spoil the result. Thus, colleagues are supposed to cherish any relation within the group and the task of a manager is to positively encourage the subordinates to work better and to work in group.

In addition, Nikon Corporation in Tokyo has the Japanese concept of *Wa* or harmony. The harmony must be maintained and cherished by every member of a group and of a company. Social activities at Nikon Corporation are the essential part of a job and *Wa. Nomikai* is very important for solving conflicts, discussing important business issues in an informal atmosphere and this is also the way to maintain harmony in the collective.

At the same time, at Sony Corporation in Lund the result is the only importance. The relations between colleagues are of course important, however, it strongly depends on people. The manager is not responsible for a friendly atmosphere at the department. There is no special concept of harmony to learn and to follow. Conflicts cannot be avoided and employees should know themselves how to solve them if they would like to. However, if conflicts may affect the working process, they still should not affect the result.

6.2 How do these differences can be explained by a new wholly-owned subsidiary' s process of institutionalization?

In the second part of the analysis the differences in management practices from Nikon Corporation to Sony Mobile are explained through the process of institutionalization. It is also taken into account that the Sony Mobile is newly established wholly-owned subsidiary after Sony Ericsson termination. In order to do this interpretative analysis it is important to use Hofstede's description of Japan and Sweden which was introduced in the theoretical part. These descriptions allow to understand the changes due to the process of institutionalization in the particular case of Sony Mobile.

Nikon Corporation. Since in the current research Nikon Corporation is a headquarter located in Tokyo, Japan, it is predictable that in order to be successful, Nikon Corporation should establish management practices that reflect the Japanese social institutions.

The level of group orientation and collectivism is very high in the company. As it was said above, the Japanese society and its social institutions are very group-oriented. As a result, employees at Nikon Corporation subconsciously bring the model of a group organization from their families and universities to their job places. Besides, ties between colleagues at Nikon Corporation are as tight as in school groups or universities; employees do not strongly divide private life and office life. That is the result of the social collectivist model that is present in every aspect of the Japanese society.

As it was described in the theoretical part, Japanese people accept hierarchy and “inequality” in every social institution and companies are not an exception. There is the same mechanism that works at Nikon Corporation in terms of power distance. Employees enter the office holding on to the model that they perceived in other social institutions as schools or families. It is not acceptable to avoid hierarchical order in the company as well as it is not possible to avoid this order in school or university life.

The Japanese society is known for avoiding risk and ambiguity. People try to use well-known methods and models in every life situation. Employees at Nikon Corporation are not an exception. They try to clarify problems, tasks, arguments, conflicts and to avoid uncertainty as much as possible. That is why, asking questions and sharing information with the boss and colleagues is crucially important for the company. Without the hierarchical order and paternalistic management, no one in the company can be totally sure about his or her position in the company and the job task.

Japanese people also aim for long-term results. It is better to do the task slowly but to be sure that it will bring good and stable results in the future. Thus, hierarchy, persistence and sense of shame are integral components of the everyday office life. Besides, overworking practice is also the evidence of long-term orientation and hierarchy in the company.

In spite of Hofstede's description of Japan as a “masculine” country, the analysis of the findings during the interviews evidences that at least employees at Nikon Corporation pursue feminine values more than masculine values at the working place, for example, harmony in the group and the avoidance of conflicts. However, one of the masculine values can be seen in the idea that one's career success depends on the group success. Moreover, a weak division between private life and office life is also a feature of masculine values. Besides, obedience to authority and hierarchy are also attributes of “masculine” society.

The similarities between Japanese society and Nikon Corporation can be illustrated in the following table.

Table 8. Similarities between Japanese social institutions and Nikon Corporation

Dimensions	Japan	Nikon Corporation
Individualism vs. Collectivism	Collectivism	Work group is a second family
Power distance	High level of power distance	Obedience to authority, hierarchy is essential
Uncertainty avoidance	High level of uncertainty avoidance	Avoiding unknown, ambiguous idea and techniques.
Long-term orientation vs. Short-term orientation	Long-term orientation	Overworking is normal, hierarchy is necessary, future results are the aim
Masculinity vs. Femininity	Masculinity	Harmony in the group, avoiding confrontation, group achievements are more important

Sony Mobile. The case of Sony Mobile is much more complicated. As it was already described above, this company became a wholly-owned subsidiary of Sony in February, 2012 after the Sony's acquisition of Ericsson. As a result, even though Sony is an independent subsidiary now, it has a strong influence in management style from Sony Ericsson years. Nonetheless, as any other newly established company in a foreign country, Sony Mobile should follow the process of institutionalization in order to increase legitimacy. However, this process in the particular case of Sony Mobile in Lund, Sweden is going to differ from the process of institutionalization in any other newly established Japanese company due to the Sony Ericsson termination.

Being a wholly-owned subsidiary, Sony Mobile should follow three steps of institutionalization: cross-national transfer of policy, legitimacy and isomorphic conflict. Talking about cross-national transfer of policy it must be noticed that Sony headquarter policy was already modified during the Sony Ericsson years. However, after the termination, instead of policy transfer Sony Mobile moved some of departments to the headquarter in Tokyo since, as theory said, it is difficult to separate the knowledge from the environment where they have been created. In addition, Sony Mobile was influenced by Ericsson policy that relates to Swedish social institutions.

As a result, it would be too difficult to newly established wholly-owned subsidiary to accept the Japanese policy for such a short term of existence. As theory says, the bigger the institutional distance between the countries, the more difficult it will be to transfer the policy, including management practices. Instead of cross-national transfer of policy, Sony Mobile moved all the business decisions and strategies to the headquarter in Tokyo. There are no business decisions that are made in Lund, Sweden now. The Sony Mobile subsidiary should just follow the instructions from Tokyo. Nonetheless, even though some departments and decision-makings have been relocated to Tokyo, there are no Japanese staff and managers working in Sony Mobile in Sweden now. A lot of employees were fired after the joint venture termination but Sony Mobile did not hire new people from Japan. Contrariwise, the subsidiary prefers to hire local people.

This feature is strongly correlates with the second step of the process of institutionalization, gaining legitimacy. For gaining legitimacy within the new society, the communication between the organization and the audience is very important. In case of Sony Mobile in Sweden, legitimacy was already gained during the years of Sony Ericsson. Thus, it would not be logical for wholly-owned subsidiary to change certain policies and practices that have been already established and functioned

quite well. This is one of the reasons that explain why Sony Mobile prefers to hire local people, even for high positions in the company. The process of gaining legitimacy also explains why management practices have not changed that much after the joint venture termination.

Sony Ericsson was localized in Sweden, thus, the aim was to gain legitimacy within the Swedish society. Meanwhile, after the termination, Sony Mobile is still located in Sweden, so its aim is the same. That is why, Sony Mobile in Sweden try to keep the management practices that have been established before. These practices are in correlation with Swedish norms and social institutions. By trying to establish Japanese management practices in Sony Mobile in Sweden, the subsidiary risks to lose the legitimacy within the Swedish society. Sony Mobile hires Swedish people to continue already established management practices because it fits the wholly-owned subsidiary with ten years experience in being part of joint venture with the Swedish company. Besides, since Sony Mobile produces mobile phones for the European market, it is logically to hire local employees since they know market and people preferences better than Japanese do. Consequently, it is beneficiary to keep the inherent from Sony Ericsson certain management practices in every day office life. However, it should be taken into account that there are still some transformations that has already occurred.

These transformations lead to the third step of institutionalization, the isomorphic conflict. Taken into account that Sony has already modified its characteristic being a part of Sony Ericsson, it is necessary for newly established Sony Mobile “do as Romans do”. This explains almost unchangeable management practices in Sony Mobile after the joint venture termination. However, now Sony Mobile receives the rules and instructions from Sony headquarter in Japan, not from Sony Ericsson. This means that the management practices are supposed to be changed at least a little bit. In reality, it is visible during the Skype conferences with the Japanese headquarter. It is not possible to talk face-to-face, the whole working group should take part in the conversation. This is the feature of collectivism.

What is more important is that Swedish employees receive cultural instructions on how to talk to their Japanese colleagues, for example, to be very polite and to follow the hierarchical order, in spite of the flat structure of Sony Mobile in Sweden. This already shows the small changes in management practices. Besides, it is not possible for a regular employee to ask his or her Japanese boss questions directly. If an employee wants to discuss issues with the Japanese boss, he or she is supposed to consult the boss in Sweden firstly. Furthermore, regular employee at Sony Mobile subsidiary should not question or object that instructions that were received directly from the headquarter. This shows power

distance at Sony Mobile that for now is visible only during the Skype conference or instructions. Besides, this is the evidence of the isomorphic conflicts that combines management practices that have been developed during Sony Ericsson years and some rules and instructions from the headquarter.

Even though Sony headquarter tries not to interrupt into management practices and every day life in Sony Mobile in Sweden for now, it is possible to predict that management practices in Sony Mobile will be modified more in the future but not to a large extend. As for now, management practices in Sony Mobile in Sweden resembles more Swedish social institutions than Japanese ones.

This reality is illustrated in the following table.

Table 9. Similarities between Sony Mobile and Swedish and Japanese social institutions.

Dimensions	Sweden	Japan	Sony Mobile
Individualism vs. Collectivism	Individualism	Collectivism	Individual tasks, no personal obligations towards colleagues
Power distance	Low level of power distance	High level of power distance	Flat, formal hierarchy, boss in Sweden is seen as colleague. However, boss in Japan is difficult to reach
Uncertainty avoidance	Low level of uncertainty avoidance	High level of uncertainty avoidance	All ideas come from the headquarter in Tokyo. Risk is welcomed during the working process but it should not affect the result
Long-term orientation vs. Short-term orientation	Short-term orientation	Long-term orientation	Overworking is very rare, quick results are still expected, leisure time is more important but the deadline must be met
Masculinity vs. Femininity	Femininity	Masculinity	Private life is more important than office life, flat hierarchy in the office. However, the hierarchy is presented during communication with the Japanese colleagues

6. Conclusion

The aim of the thesis was to research and compare the situation of management practices in Japanese companies in Japan and in Japanese companies abroad, particularly in Sweden, after a joint venture termination. However, the thesis also aims to explain the differences in management practices in the Japanese company abroad after the joint venture termination by the process of institutionalization. Findings during the interviews in Japan show that management practices are highly correlated with the institutional environment of a country. Finding in Sweden shows that management practices resembles more the institutional environment of Sweden, though with some influence from Japan as well.

As every Japanese social institution like family, school or organization, Nikon Corporation follows the same model. Employees are supposed to be an integral part of a group, pursue and respect group interests. Obedience to the group authority and hierarchy ladder are taken for granted in the Nikon Corporation, as in every Japanese social institution. Risk and ambiguities are also better to avoid since the company aims for future results and future itself is supposed to be as predictable as possible. In addition, it is very important to cherish authority and group harmony. Hence, the picture of Nikon Corporation's daily life reflects the model of a typical Japanese social institution. Strict hierarchical order and respect and obedience to authority are an integral part for the healthy functioning of the Nikon Corporation.

The situation in Sony Mobile in Sweden is far more difficult. As it was already discussed in the thesis, this wholly-owned subsidiary of Sony used to be a part of Sony Ericsson joint venture for 10 years, thus, has a strong heritage in management practices from these years. During the research it was established that keeping the management practices from Sony Ericsson is more profitable for the subsidiary. Though Sony Mobile cannot avoid influence from the headquarters in Japan, thus, management practices have already changed to some extent. However, there is a high possibility that those practices will change further. For example, if the headquarter in Tokyo will relocate staff from Tokyo to Lund, especially managers who will help to establish and keep Japanese control and management practices.

The differences in management practices are supposed to be explained by the process of institutionalization. However, the situation with Sony Mobile in Sweden is different than the case of a newly established subsidiary abroad. First of all, during the research it was noticed that cross-national transfer of policy has not occurred yet in after the joint venture termination. Instead, Sony headquarter

relocated a lot of departments from Lund back to Tokyo. Besides, all business decisions are made in Japan now. For now this strategy has been easier for the headquarter in order to keep control. Sony Mobile was influenced by the Swedish culture a lot during the joint venture years and it will take a considerable time to transfer policy from the headquarter to this kind of wholly-owned subsidiary.

Nonetheless, the research showed that Sony Mobile subsidiary follows the second step of institutionalization. By hiring the local employees and not changing management practices, Sony Mobile maintains the legitimacy that was gained during the Sony Mobile years. This is also the strategy of the headquarter that understands that Sony Mobile in Sweden will be able to function properly and beneficially only if it keeps the management style that was established during the Sony Ericsson years.

As for the isomorphic conflict, it can be easily seen at Sony Mobile. In general, the subsidiary keeps the management practices from Sony Ericsson and employees at Sony Mobile in Sweden follow Swedish institutional environment during the work. However, the influence from Sony headquarter in Japan cannot be underestimated. Features of Japanese classical management are visible during communication with Japanese colleagues and managers. The Sony Mobile employees should follow the rules of classical Japanese management during Skype conferences or if they want to interact with their boss in Japan. At present the headquarter does not interrupt the working process of the subsidiary but since isomorphic conflict is a “never-ending” process, it is logical to predict that influence from the headquarter will cause further change in management practices in the subsidiary.

As a result, this research shows that in case of Sony Mobile in Sweden, the process of institutionalization explains the difference in management practices and why Sony Mobile tries to keep the practices that were established during the joint venture. However, the cross-national transfer of policy has not happened yet. This means that the subsidiary is still under the process of institutionalization and, as was already mentioned, even though now Sony Mobile keeps management practices that resemble the Swedish culture, it is possible to predict changes towards Japanese management practices. Furthermore, this research shows that during the process of institutionalization it is not necessary to follow the three steps in the sequence order predicted by existing theory. The case of Sony Mobile in Sweden shows that the order of steps can be and has been changed.

References

- Adobor, Henry (2004) "Selecting management talent for joint ventures: A suggested framework", *Human Resource Management Review*. Vol. 14, p. 161-178.
- Andersen, Ulf (2003) "Managing the transfer of capabilities within multinational corporations: the dual role of the subsidiary". *Scandinavian Journal of Management*, Vol. 19, p 425-442.
- Andersen, Jon, Ekelund, Bjorn, Graversen, Gert, Ropo, Arja & Smith, Peter (2003) " In Search of Nordic Management". *Scandinavian Journal of Management*, Vol. 19, p 491-507.
- Ando, Ken- ichi (2005) *Japanese Multinationals in Europe: A Comparison of the Automobile and Pharmaceutical Industries*. Centre for International Business. University of Leeds, UK.
- Ambosconference, Björn & Schlegelmilch, Bodo B. (2010) *The New Role of Regional Management*. The UK: Palgrave Macmillan.
- Aritz, Jolanta & Walker, Robyn, C (2009) "Group Composition and Communication Styles: An Analysis of Multicultural Teams in Decision- Making Meetings". *Journal of Intercultural Communication Research*, 38:2, p. 99-114.
- Baker, Will (2011) "Intercultural Awareness: Modelling an Understanding of Cultures in Intercultural Communication through English as a Lingua Franca". *Journal of Intercultural Communication Research*, 11:3, p. 197-214.
- Beamish, Paul W., Chan, Christine M. , Isobe, Takehiko and Makino, Shige (2007) "Intended and Unintended Termination of International Joint Ventures", *Strategic Management Journal*. Vol. 28, p. 1113- 1132.
- Bell, Emma and Bryman, Alan (2011) *Business Research Methods*. Oxford University Press, 3rd edition.

Björn Ambosconference & Bodo B. Schlegelmilch (2010) *The New Role of Regional Management*. The UK: Palgrave Macmillan.

Bowen, Nick & Sitkin, Alan (2010) *International business: challenges and choices*. Oxford : Oxford University Press.

Bryman, Alan (2008) *Social Research Methods*. Oxford: Oxford University Press, 3rd edition.

Bryman, Alan (2012) *Social Research Methods*. Oxford: Oxford University Press, 4th edition.

Buchanan, A. David & Bryman, Alan (2011) *The Sage handbook of organizational research methods*. London: Sage.

Chang S.J. (2010) “When East and West Meet: An Essay on the Importance of cultural Understanding in Global Business Perspective and Education”. *Journal of International Business and Cultural Studies*, Vol. 4, p. 1-12.

Chang, Sea-Jin, Chung, Jaiho and Moon, Jon Jungbien (2013) “When Do Wholly Owned Subsidiaries Perform Better Than Joint Ventures?”, *Strategic Management Journal*. Vol. 34, p. 317-337.

Dacin, M. Tina, Goodstein, Jerry, Scott, W. Richard (2002) “Institutional Theory and Institutional Change: Introduction to the Special Research Forum”. *Academy of Management Journal*, 45:1, p 45-57.

DiMaggio, Paul J. & Powell, Walter W. (1983) “The Iron Cage Revisited: Institutional Isomorphism and Collective Rationality in Organizational Fields”. *American Sociological Review*, Vol. 48, p 147-160.

Ericsson History <http://www.ericssonhistory.com/the-ericsson-files-engelska/Foretaget/Sony-Ericsson/> (accessed 19. August 2013)

Forsgren, Mats (2008) *Theories of the Multinational Firm: A Multidimensional Creature in the Global Economy*. Edward Elgar: Cheltenham.

Geert Hofstede Analysis <http://www.cyborlink.com/besite/hofstede.htm> (accessed 9. August 2013)

Greenwood, Royston, Oliver Christine, Sahlin Kerstin, Suddaby Roy (2012) *Institutional Theory in Organization Studies*. Los Angeles: Sage Library in Business and Management, 5 vol set.

Guirdham, Maureen (2009) *Culture and Business in Asia*. New York: Palgrave Macmillan.

Haak, Rene & Pudelko, Markus (2005) *Japanese Management. The Search for New Balance between Continuity and Change*. New York: Palgrave Macmillan.

Haghirian, Parissa (2010) *Innovation and Change in Japanese Management*. Tokyo: Sophia University.

Hennart, Jean-Francois, Kim, Dong-Jae and Zeng, Ming (1998) "The Impact of Joint Venture Status on the Longevity of Japanese Stakes in U.S. Manufacturing Affiliates", *Organization Science*. 9:3, p. 382-395.

Hodgson, Geoffrey M. (2006) "What Are Institutions?". *Journal of Economic Issues*, 40:1, p. 1-25.

Hofstede, Geert (2001) *Culture's consequences :comparing values, behaviors, institutions, and organizations across nations*. Thousand Oaks, California : Sage, 2nd edition.

Hofstede, Geert & Minkov, Michael (2010) *Cultures and organizations: software of the mind : intercultural cooperation and its importance for survival*. New York: McGraw-Hill, 3rd edition.

Hofstede, Geert (1994) *Uncommon sense about organizations:cases, studies and field observations*. Thousand Oaks, California : Sage Publications.

Jackson, Keith & Tomioka, Miyuki (2004) *The Changing Face of Japanese Management*. London : Routledge.

Jones, M.L. (2007) "[Hofstede - Culturally questionable?](#)". *Oxford Business & Economics Conference*. Oxford, UK, 24-26 June.

Kim, Min-Sun & Hubbard, Ebesu (2007) "Intercultural Communication in the Global Village: How to Understand "The Other". *Journal of Intercultural Communication Research*, 36:3, p, 223-235.

Knudstrup, Mike & Ross, Larry (2008) "Me, Myself and Us: Work Preferences of Individualists and Collectivists". *Journal of International Business and Cultural Studies*, Vol. 1, p. 1-20.

Kvale, Steinar & Brinkmann, Svend (2008) *Interview: Learning the Craft of Qualitative Research Interviewing*. Los Angeles : Sage Publications, 2nd edition.

Lammers, John C. & Barbour, Joshua B. (2006) "An Institutional Theory of Organizational Communication", *Communication theory*, p 356-377.

Lowen, Aaron & Pope, Jennifer (2008) "Survival Analysis of International Joint Venture Relationships", *Journal of Business & Economics Studies*. 14:1, p. 62-80

Lämsä, Tuija (2010) "Leadership Styles and Decision-Making Process in Finnish and Swedish Organizations". *Review of International Comparative Management*, 11:1, p. 139- 150.

Morrison, Allen J. & Black, Stewart J. (2010) *Sunset in the Land of Rising Sun: Why Japanese Multinational Corporation Will Struggle in the Global Future*. New York: Palgrave Macmillan.

Nielsen, Bo Bernhard (2012) "What determines joint venture termination? A commentary essay", *Journal of Business Research*. Vol. 65, p. 1109-1111.

Nguyen, Huu Le (2011) "Partnership Strategies: Pro-active and Pre-active Approach in Conflict Management in International Joint Ventures", *International Journal of Business and Management*. 6:9, p. 38- 45.

Ogasawara, Yuko (1995) *Office Ladies and Salary Men: power, gender, and work in Japanese companies*. Berkley, California: University of California Press.

Ohtsu, Makoto and Imanari, Tomio (2002) *Inside Japanese business : a narrative history, 1960-2000*. Armonk, New York, Nanzan University academic publication series.

Paul, Karen, Meyskens, Moriah & Robbins, Stephanie (2010) “Components of Global Mindset: Corporate Social Responsibility and Cross- Cultural Sensitivity”. *Journal of International Business and Cultural Studies*, Vol. 5, p. 1-19.

Patterson, D.W. and Washington, Kevin (2011) “Hostile takeover or joint venture : connections between institutional theory and sport management research”. *Sport management review*, 14:1, p. 1-12.

Ragin C. Charles & Rinoux Benoit (2009) *Qualitative Comparative Analysis and Related Techniques*. Thousand Oaks, California: Sage Publications.

Rod, Michael (2009) “A Model for the Effective Management of Joint Ventures: A Case Study Approach”, *International Journal of Management*. 26:1, p. 3- 17.

Romani, Laurence (2008) *Relating to the Other: Paradigm Interplay for Cross-Cultural Management Research*. Stockholm: Stockholm School of Economics.

Scott, W. Richard (2001) *Institutions and Organizations*. Thousand Oaks, California. Sage Publications, 2nd edition.

Silverman, David (2010) *Doing Qualitative Research*. London: Sage Publications, 3rd edition.

Sony’s buying 50% stakes of Ericsson’s share in Sony Ericsson – worthy acquisition?
<http://www.techit.in/2011/10/sonys-buying-50-stakes-of-ericssons-share-in-sony-ericsson-worthy-acquisition/> (accessed 13. July 2013).

Suddary, Roy (2010) “Challenges for Institutional Theory”. *Journal of Management Inquiry*, 19:1, p 14-20.

Symon, Gillian & Cassell, Catherine (2011) *Qualitative Organizational Research: core methods and current challenges*. London: Sage Publications.

The end of an era - Sony Ericsson is now history <http://www.esato.com/news/the-end-of-an-era-sony-ericsson-is-history-2249> (accessed 13. July 2013)

The Hofstede Centre <http://geert-hofstede.com/applications.html> (accessed 10. May 2013)

The World Bank, *The East Asian Miracle: Economic Growth and Public Policy* (1993). New York: Oxford University Press.

The World Business Culture <http://www.worldbusinessculture.com/index.html> (accessed 15. March 2013)

Tolbert, Pamela S & Zucker, Lynn G (1996) “The Institutionalization of Institutional Theory”. <http://digitalcommons.ilr.cornell.edu/cgi/viewcontent.cgi?article=1430&context=articles> (accessed 3. July 2013)

Westney, Eleanor D (2002) “Japanese Enterprises Faces the 21st century”. *M.I.T. Sloan School of Management*, p 1-38.

Whitney, Richard (1994) *Business Systems in Asia: firms, markets and societies*. London, Newbury Park, Sage publications.

Yin, Robert (2003) *Case Study Research: Design and Methods*. Thousand Oaks, California : Sage Publications, 3rd edition.

Interviews

1. Interview with male senior staff, Mr A, at Human Resources division in Nikon Corporation, February, 4th, 2013.
2. Interview with female senior staff, Ms B, at Human Resources division in Nikon Corporation, February, 4th, 2013.
3. Interview with male senior staff, Mr C, at Human Resources division in Nikon Corporation, February, 4th, 2013.
4. Interview with female junior staff, Ms D, at Human Resources division in Nikon Corporation, February, 7th, 2013.
5. Interview with male junior staff, Mr E, at Human Resources division in Nikon Corporation, February, 7th, 2013.
6. Interview with male senior engineer, Mr F, at Consultant Business Unit in Sony Mobile, March, 14th, 2013 and July, 22nd, 2013.
7. Interview with male senior engineer, Mr G, at Consultant Business Unit in Sony Mobile, March, 14th, 2013 and July, 18th, 2013.
8. Interview with male senior engineer, Mr H, at Consultant Business Unit in Sony Mobile, March, 14th, 2013 and July, 19th, 2013.
9. Interview with male junior engineer, Mr I, at Consultant Business Unit in Sony Mobile, March, 18th, 2013 and July 19th, 2013.
10. Interview with female junior engineer, Ms J, at Consultant Business Unit in Sony Mobile, March, 18th, 2013 and July, 22nd, 2013.