Internationalization of the MBA Program via Japan-Focused Study Tours

Hope K. Torkornoo, PhD.

Professor of Marketing & International Business
Coles College of Business
Kennesaw State University
1000 Chastain Road, Kennesaw, GA 30144
United States of America

I. Introduction: Infusing a Global Content in the MBA Program

The graduates of MBA programs have to function in an increasingly integrated global economy in which old paradigms have given way to the new. Globalization means increasing cross-border flows of information, trade, finance, people as well as the rationalization of supply chains so that components of a final product are made in several countries around the world. The AACSB study (2011) finds a significant gap between what management students need and what business schools provide (Brunner, R. & Iannarelli J, 2011). In preparing students to manage in an era of global interdependence, we are guided by Cant's (2004) five competencies of global managers. He suggests that cultural self-awareness, cultural consciousness, leading multicultural teams, negotiating across cultures, and global mindset are requisite competencies for managers in our current global economic milieu.

It will be virtually impossible to gain intercultural competence (Enrique, R., 2016) or cross-cultural literacy, if one is not exposed to other cultures and their unique practices and protocols. Ghemawat (2008) notes that until global content is infused in the business curricular, globalization of business education will remain largely rhetorical. Andrews and Tyson (2004) underscore the global imperative for the content and outlook of business education, when they asserted that "Business school customers require executives with global business capabilities ... (for such customers) it is a burgeoning day-to-day reality" (Andrews & Tyson, 2004). That MBA programs need to provide knowledge and capabilities related to "domestic and global economic environments of organizations" is mandated by the AACSB (AACSB, 2004). How can global content be effectively infused in business education at the MBA level?

The literature indicates that several approaches have been deployed. A well-organized international business study tour course is one effective vehicle to globalize the graduate management curriculum and to prepare students to become competent global managers (Helms, 1992; Vertisi, 1992/1993; Torkornoo, 1997; Currie, Matulich, and Gilbert, 2004; Finley, Taylor, & Warren, 2008; Tuleja, 2008). From 2006 to 2008, the author directed three MBA study tour courses to Japan. The course and study tours to Japan were enthusiastically received by both students and faculty participants.

One reason for the success of the course is that, in addition to the global strategy frameworks learned in class, students gained reinforced understanding of global strategy in briefings from, and interaction with, senior executives of global corporations in Japan. These executives represented both American and Japanese global companies in different industries. While global strategy formulation may be undertaken at corporate levels, implementation is often at the business unit and local subsidiary levels and provide a realistic view of the practical aspects of the strategy. The high-level executive briefings not only enabled students to understand the application of course concepts, it made for a deeper appreciation of the influence of culture on Japanese business practices as well as demands of local responsiveness in the implementation stage.

Another reason for the success of the course is the preparation of all participants for the trip. The goal of the pretrip preparations was to create a realistic preview of the host environment, minimize the effects of culture-shock, and to enable students to enjoy the experience in Japan.

How did students and faculty from a U.S. university with modest global reputation come to enjoy warm hospitality from, and experience high-level executive briefings with, leaders of global companies in Japan for three consecutive years?

The purpose of this paper is to discuss some of the keys to successfully organizing an international study tour course to Japan in order to enable faculty in other institutions to reap the benefits that our students and faculty have gained from our successful course.

II. Why Select Japan as a Study Tour Destination

We selected Japan because it is the world's third biggest economy and the home of several global brands that are readily familiar to students. In electronics, robotics, automobiles, and other global industries, Japan is a leading market and Japanese companies are among the global leaders. Japan thus serves as an appropriate destination to understand global strategy. Although systems of government vary in the Asian region, the Japanese economic model, based on export-oriented industrialization, is essentially the model that has been adopted by most successful economies in Asia. It can be suggested, therefore, that the Japanese template in industrialization is key to understanding a major reason for the rise of the economic tigers in Asia. Beyond these considerations, there are several global business practices, such as continuous improvement, six sigma, and just-in-time inventory management that have a Japanese origin or were refined by Japan industries.

However, Japan has a culture that is very different from that of the United States. (Reischauer and Jansen, 1995; Kopp, 2000) The study tour thus provides an opportunity for American participants to bridge a significant cultural distance. Students will thus be prepared to conduct business with Japanese, both as employees of non-Japanese and Japanese firms. In addition, it can be contended that when students successfully learn to distinguish the imperatives of Japanese culture and business protocols from the electives and exclusives, they will likely find it easier to adjust to other cultures that are less distant from American culture in future opportunities. The ability to adjust to and be comfortable in dealing with cultural differences is an important step to gaining cross cultural competencies required of global managers (Cant, 2004).

III. Relationship Building with Japanese Business Community

American culture is quite different from Japanese culture. Using Hofstede's typology, we may describe American culture as low context, characterized by high levels of individualism, and low power distance. (Nisbett, 2003; Kirkman, Lowe, and Gibson, 2006) Efficiency in the United States is achieved through competition. The U.S. culture may thus be characterized as an information-oriented culture. (Cateora, Gilly, & Graham, 2009)

The culture of Japan is, on the other hand, high-context, collectivist, and is characterized by high power distance. In Japan, a strong interpersonal and commercial relationship is the key to long-term and successful business transactions. A strong relationship provides the bridge of trust for enduring business transactions. Without such a bridge, no successful business opportunities can be fully exploited.

In order to gain access to senior executives in Japanese corporations for the benefit of our students, we began our planning for the Japan study tour course a full year in advance. One key goal was to establish a strong relationship with Japanese corporate leaders in our region. We invested time and effort in cultivating interpersonal and institutional contacts with the leadership of the Japanese chamber of commerce in our state, the consulate general of Japan and his senior staff in our region, the executive director of the Japan External Trade Organization (JETRO) and his senior staff in our region, as well as the leadership of the Japan-America friendship societies in the state. We also involved leadership of the state's commission for economic development.

It also turns out that our state had attracted the fourth largest Japanese direct investment in the U.S. This investment provided the largest employment among foreign investors in the state. There is a long history of welcoming Japanese investment in the state dating back to a period in the 1970s when there were xenophobic sentiments directed against Japanese investment in other states due to fears of economic dislocation in the U.S. The state has an office in Japan and it actively seeks to facilitate trade and investment flows with Japan. As a result, our relationship building activities included contacts with the leadership of the state's commission for economic development.

These efforts culminated in a luncheon we organized on our campus to honor Japanese business leaders in the state. The idea was enthusiastically received by all parties, including leadership of the Japanese business community and the college of business.

The secretariat of the Japanese chamber, the state commissioner of economic development, leaders of Japanese businesses, the Japanese consul general, heads of the office of international services and programs on campus and the dean of the college of business were among the participants in the luncheon. This luncheon was repeated in the second year of our study tour to Japan, in addition to another event, a debriefing dinner after the class returned from Japan in the second year.

The result of this relationship-building effort is that our college and the university has become an important part of the community of Japan-America friends. Perhaps more importantly, our cultivation of interpersonal and business friendships resulted in high level introductions to corporate headquarters in Japan. Consequently, our delegations to Japan were met and briefed by senior executives that gave us deep insights about corporate strategy formulation and implementation challenges and successes in Japan. The main point here is that to successfully work with the Japanese, a long-term view is required. In addition, it is important to build and maintain strong interpersonal and business relationships. This link is critical to establish a bridge of trust for collaborative events and successful transactions.

IV. Course Focus and Japanese Partners

In order to integrate the course and the international business study tour, it is important to have a unifying theme. We focused the course on global business strategy. The goal was to provide a framework for understanding how global strategy is formulated and implemented. We concentrated on global strategy frameworks as summarized by Ghemawat (Ghemawat, 2007; Ghemawat 2008).

With this focus, we selected companies that either produced global products or marketed under an umbrella global brand. These tended to be very large companies. In order to give a wide and rich exposure to global strategy formulation and implementation, we decided not to focus on one industry. Thus we selected companies across a wide spectrum of industries, including an automobile manufacturer, a leading manufacturer of electronic products for home and business use, a global IT services and hardware manufacturer, the global leader in the beverage industry, the leading non-Japanese supplementary insurance company, the leading Japanese supplier of modules and components for the global cell-phone industry, a highly diversified Japanese manufacturer of ceramic components and appliances, and a Japanese GE-like conglomerate with a significant presence in the global business-to-business space.

A sufficient amount of time is needed to arrange an appointment. First time appointments must be sought between three to six months in advance, depending on the company. In our case, our requests for appointment were directed through the U.S. subsidiaries in our region. For prospective host companies, it appears that a greater level of interest is generally elicited by an appointment to discuss issues in which they have achieved excellence. Not only does a request to discuss what the company does well enhance the likelihood of securing an appointment, a higher level of enthusiasm comes with the affirmative response. Although lessons can be learned from a host company's failed efforts, there is often a more positive sentiment when asked to discuss core competency issues. Difficult questions regarding lessons from past failures can be saved for question-and-answer sessions following major presentations.

A great opportunity to gain additional insights in culture and business protocols and practices is provided by planning to have receptions after presentations. The benefit of this forum is its interactive nature. It is especially welcomed by students. They enjoy the informal discussions and networking with host-company executives during such occasions. Some participants indicated that they learned a great deal more about host company operations in conversations during the receptions.

V. Conclusion

One of the most challenging aspects of organizing an international study tour has to do with securing overseas appointments for participants. The difficulty arises not only with getting an agreement to visit but in having the executive needed to address the issues of interest to participants. Since global strategy is formulated at the highest levels of management, we sought audience with and were hosted by senior managers of the firms in Japan. Since Japanese have a relationship-oriented culture, we placed great emphasis on developing strong interpersonal and business relationships with the leadership of the Japanese business leaders in our state and region well ahead of our first study tour. The bridges of trust that were built through meetings, visits, communications and luncheons made it possible to have access to senior management in Japan and thus provided a rich learning experience about the global strategies of Japanese firms during our successful study tours.

Both faculty and student participants gained deep business and cultural insights and heightened global awareness from participating in the international study tours. Their horizons were widened and their perspectives deepened by participating in live case analyses and discussions with business leaders in the frontlines of global business. Students gained important environmental and analytic competencies required to become effective global managers (Cant, 2004). Faculty returned newly equipped with new teaching tools and real-world cases to enliven their classrooms.

VI. References

- AACSB, 2004. Eligibility Procedures and Standards for Business Accreditation_Adopted April, www.aacsb.edu
- AACSB. 1993a, April. Achieving quality and continuous improvement through self-evaluation and peer review. *Standards for Accreditation*, 17.
- AACSB. 1993b, Spring. The cultivation of tomorrow's leaders: Industry's fundamental challenge to management education. *Newsline*, 1-3.
- Andrews, N., & Tyson, L.D. (2004). The upwardly global MBA. *Strategy+Business*, Issue 36 (the current issue). www.strategy-business.com
- Bruner, R. F. & Iannarelli (2011), Globalization of Management Education," Journal of Teaching in International Business 22 (4), 232-242.
- Cant, A.G. 2004, Internationalizing the Business Curriculum: Developing International Competencies, The Journal of the American Academy of Business, 5(1/2): 177-182.
- Cateora, P.R., Gilly, M.C., & Graham, 2009 J.I. International Marketing, McGraw-Hill Irwin.
- Currie, D.C., Matulich S., and Gilbert J.P. 2004. Foreign Travel in North American MBA Programs, Journal of Teaching in International Business, Vol. 15, Iss. 3, pg 45
- Enrique, R., 2016, Impact of Intercultural Competence When Studying Abroad and the Moderating Role of Personality, Journal of Teaching in International Business, 27/2-3, 88-105, DOI: 10.2016
- Ferraro, G.P. 1990. The cultural dimension of international business. Englewood Cliffs, NJ: Prentice Hall
- Finney, M. & Von Glinow, M.A. 1988. Integrating academic and organizational approaches to developing the international manager *Journal of Management Development*, 7.
- Ghemawat, P. 2007. Redefining Global Strategy: Crossing Borders in a World Where Differences Still Matter, Harvard Business School Press
- Ghemawat, P. 2008. The globalization of business education: through the lens of Semiglobalization. Journal of Management Development, Bradford, Vol. 27, Issue 4
- Helms, M.M. 1992. Measuring changes in students' perceptions and career plans: effects of study abroad, *International Journal of Career Management*, vol. 4, p.36
- Kirkman, B.L., Lowe, K.B., and Gibson, C. 2006. A Quarter Century of Cultures' Consequences: A Review of Empirical Research Incorporating Hofstede's Cultural Vaues Framework," Journal of International Business Studies 37, pp. 285-320.
- Kopp, R. 2000. The Rice-Paper Ceiling: Breaking through Japanese Corporate Culture, Berkeley, California, Stone Bridge Press
- Nisbett, R.E. 2003. The Geography of Thought. New York: The Free Press.
- Porter, S.J. & Mckibbin, L.E. 1988 Management education and development: Drift or thrust into the 21st century? New York: McGraw-Hill.
- Porth, S.J. 1997. Management education goes international: a model for designing and teaching a study tour course, *Journal of Management Education*, Vol. 21, No. 2, pp. 190-199.
- Reischauer, E.O. and Jansen, M.O. 1995. The Japanese Today Change and Continuity, Harvard University Press, Cambridge, Massachusetts.
- Torkornoo, Hope. 1997. "Internationalizing the Curriculum: The International Study Tour Course as a Model for MBA Programs." *International Journal of Business Disciplines*, Vol. 7, No.2.
- Tuleja, E.A. 2008. Aspects of Intercultural Awareness Through An MBA Study Abroad Program: Going "Backstage." Business Communications Quarterly, Volume 71, Number 3, pp. 314-337
- Vertisi, C. (1992/1993) Role and methods of student exchanges in internationalizing management education. *Journal of Business Administration*, vol. 21, p.331-344.
- Yip, G.S. (1995) Total global strategy: managing for worldwide competitive advantage, Englewood Cliffs, New Jersey: Prentice Hall