



JAPAN MNE Insights

Volume 1, Issue 1
April, 2014

Academy of Multinational Enterprises (Japan) www.mne-jp.org

Greeting from the President

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I am glad to inform you that the Academy of Multinational Enterprises in Japan has launched the English version of its website, academic papers to promote the international exchange of views among researchers and practitioners worldwide.

As president of the society, I would like to introduce our Academy of MNE for Japan. The academy was founded in 1972 as a workshop for the research of Japanese multinationals. The workshop regularly held regional and national conferences and published influential books on the subject of multinationals and international economies. The Academy was reorganized and the current academic society's activities began in 2007.

"The academy was founded in 1972 as a workshop for the research of Japanese multinationals"

The globalization of markets and economies has promoted the flow of international trade and investment among countries and regions on a worldwide scale. However, this globalization has expanded the economic gap between the rich and the poor and has exacerbated global environmental problems. Even advanced countries are recognizing widening gaps among national interests, multinational profits, and the well-being of its citizens. Recent dramatic development of information and communication technologies has greatly affected the management standards of multinational corporations.

Multinational enterprises (corporations) have sharply increased the complexities and diversities in their strategy and organization to survive and grow globally. The coordination of complex international strategies has become an increasing problem for multinationals. The predicted limitations to advanced country market growth have increased the competitive race among multinationals to penetrate developing country markets and to cultivate the base of the economic world population pyramid (the so-called next 4 billion). Of course, institutional, economic and cultural differences still remain a critical challenge for multinationals.

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We can observe many problems concerning multinationals from the macro and micro perspective. To explore possible solutions, we have accumulated original ideas and empirical data concerning the strategic behavior of Japanese multinationals. The majority of data are only available in Japanese and are not accessible to foreign researchers and critics. We plan to increase the number of English articles published in the MNE Academy Journal and have launched an English version of "JAPAN MNE insights" to the world. We welcome your contribution to our Journal and newsletter. Please send us your feedback. Thank you.



Special Essay:

Distinctiveness of Japan's IB Research: What Makes It So Unique?

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Japan's academic community in the management field has had a long tradition of publishing scholarly works primarily in the Japanese language, and such a tendency has prevented many high-quality works from being visible to the rest of the world. Such a trend has also created entry barriers for non-Japanese scholars to participate in the intellectual debate here in Japan. Our international business (IB) field is no exception in this regard. This newsletter is designed to ensure that Japan's IB research trends remain on the radar of overseas management scholars and practitioners and to accelerate the pace of globalization of our academic society.

To illustrate how similar or different the research trends are between the IB research communities following the Japanese and US models¹, I would like to draw on two important articles that capture characteristics of each community: Liesch, Hakanson, McGaughey, Middleton and Cretchley (2011) and Takeda (2012). Both articles shed light on research trends in the IB field in approximately the past 40 years, with the former featuring the IB research streams of papers published in the *Journal of International Business Studies (JIBS)* and the latter featuring the main research topics of the annual meetings of the *Academy of Multinational Enterprises (AMNE)*, our academic association in Japan.

Liesch et al (2011) capture the manner in which IB research evolved in the past four decades, from 1970 to 2008. According to their study, the dominant research streams of articles published in JIBS featured key concepts such as "exchange rates" and "manufacturing" until the 1990s under Editors W.A. Dymsha, E.W. Ogram, and D.A. Richs and then "strategy," "performance," and "methods" since the mid-1990s under Editors P.W. Beamish, A.Y. Lewin, and T.L. Brewer. Furthermore, beyond 2008, Professor Liesch observes that the focus of this research stream has further expanded to cover "MNE-state relations" under Editor L. Eden and "innovation, technology, knowledge and R&D" under Editor J. Cantwell.²

In a similar vein, Takeda (2012) provides an overview of the evolving patterns of research interests among our AMNE members in the past four decades based on the topics of papers presented at the annual meetings. According to his observation, the main interest lies in the deep understanding of the basic principle of multinational enterprises (MNEs) and of the nature of Japanese MNEs in the 1970s; in the new behavioral patterns of MNEs in the wake of intense competition in the global market in the 1980s;

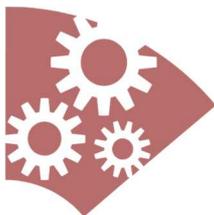
"This newsletter is designed to ensure that Japan's IB research trends remain on the radar of overseas management scholars and practitioners and to accelerate the pace of globalization of our academic society."

in the manner in which MNEs attempted to accelerate the pace of globalization under the era of intensified competition and collaboration in the 1990s; and in the manner in which MNEs influenced the world economy, industries, and society in the 2000s.

These papers help us to identify some commonalities between the Japanese and US approaches to IB research. First, IB research has been driven by both macro- and micro-perspectives, although the relative weight has shifted over time. Second, there has always been a tension between breadth and depth in IB research; the former is more geared toward practical relevance, whereas the latter is more driven by the logic of analytical rigor. Third, although geographic coverage in IB research was initially confined to developed countries and their neighbors, it was rapidly extended to distant emerging markets, such as BRICs, the Middle East, and Africa. Fourth, attention to such emerging markets has gone beyond the domain of the area study and has been linked to the attempt to build new management theory in the surge of emerging countries.

"The Japanese style tends to place emphasis on obtaining a deep understanding of phenomena, whereas the US style tends to prioritize methodological rigor in the empirical analysis."

By contrast, I observe the following uniqueness in the Japanese IB academic community, as represented by AMNE. I observe the following notable differences between the Japanese and US styles of IB research. First, although both styles value theoretical contributions, the Japanese style tends to place emphasis on obtaining a deep understanding of phenomena, whereas the US style tends to prioritize methodological rigor in the empirical analysis. Therefore, the Japanese IB research community is much more open-minded to qualitative, fieldwork-based studies compared with its US counterpart. Many of our members have excellent access to company data and analyze key managerial issues through intensive fieldwork. One can remain abreast of the contemporary management opportunities and challenges confronted by these MNEs by attending our workshops. Second, the Japanese style of IB research maintains and nurtures its culture of encouraging interesting and meaningful research, although it may be slightly risky from the journal publication perspective. From the earlier stage of their careers, Japanese researchers tend to select research topics that genuinely interest them rather than topics that could lead to publication in top-tier journals. Japan's traditional incentive system, which values research monographs as being as important as publication in top-tier refereed journals, has obviously allowed scholars to pursue research that truly interests them, even when it may take more time to bear fruit. Third, Japan remains an important context for IB research in Japan, whereas many overseas observers of Japanese business have shifted their attention from Japan to emerging countries. Rather than studying Japanese management for the sake of revealing its uniqueness, the Japanese style of IB research uses the Japanese case as a building block to establish more generalizable theory and concepts. Given that Japan is no longer a fad and fashion in the management research, it makes sense to regard Japan as an interesting context under which management theory can be reinterpreted and advanced.



I enjoy being associated with both US-based academic associations such as the Academy of Management, the Academy of International Business, and the Strategic Management Society as well as Japan-based associations as represented by AMNE to gain complementary insights. Again, what I particularly like about the Japanese style of IB research includes its open-mindedness toward diverse research methods and topics as well as its high level of enthusiasm on the part of researchers toward their own research topics in which they show genuine interest. Whereas US-based academia may be a better place to learn state-of-the-art theory and the most sophisticated methodology, our IB research community here in Japan may be a better place to meet researchers who are genuinely interested in real management problems and are seeking a deep understanding of phenomena by drawing on first-hand data. Many of our members are attempting to develop new theories based on the laborious analysis of their own primary data.

Given that Japanese academia is accelerating its pace of internationalization, I am pleased to acknowledge that AMNE is at the forefront of such endeavors. Although further internationalization of research activities is unavoidable, I would hope that AMNE could preserve those advantages pertinent to Japan's academic tradition. I believe that our continuing attention to the Japanese business context in IB can serve as a reminder to the international IB community of Japan's longstanding role as a "critical case" in IB research (Westney, 2005). As Professor D. Eleanor Westney writes, "trying to balance distinctiveness and generalizability is a constant tension in both fields" (i.e., IB and Japanese business studies) (Westney, 2005: 6-7). It may be our priority as a Japanese IB research community to aim to achieve global-standard research at the highest possible level while maintaining the distinctiveness that is inherent to our academic tradition.

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¹ What I mean by "US model" or "US style" represents US and non-US research communities that adopt the academic incentive system based on publication in top-tier refereed journals.

² Professor Peter Liesch's seminar talk at Aalto University in Helsinki on October 31, 2012.

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