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Research Note

## Managing Diversity in a Contemporary Organization:

Pursuing “Authenticity” in the Process of Overseas Expansion

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This study examines the dynamics of diversity management in a contemporary workplace by focusing on how a company attempts to pursue “authenticity” in the process of overseas expansion and the challenges it may face during the process. Managing employees with different ethnicities and cultural backgrounds has been regarded as one of the most challenging issues for many Japanese companies overseas. This research explores this issue based on a case study of a Japanese ramen company, hereafter referred to as “Yama Ramen” in Boston, United States, and analyzes how the company attempts to create an “authentic” Japanese brand by representing its “Japaneseness” in management while struggling to adapt to the local context. The fieldwork, including participant observation at the shop and interviews with the employees, was conducted in March and May 2017 in Boston. Through the discussion, this study posits that at Yama Ramen, pursuing “authenticity” is a way to promote its brand but is also a process of negotiating the meaning of “Japaneseness.” During this process, many Japanese managers have cultivated an ethnocentric ideology, which has become stronger alongside their interactions with the locals. This belief discouraged the Japanese managers from learning actively from the locals, but tried to convince them that the Japanese way was the best, which resulted in creating unharmonious human relations. This study highlights the negative aspects of implementing an ethnocentric ideology in a business context and the possible results of neglecting a respect for diversity. Its conclusion offers a few recommendations to the company for future management practices.

**Keywords:** Diversity, Authenticity, Culture, Adaptation, Japan

### Introduction

On a sunny day in May 2017, I visited a Japanese ramen shop, hereafter “Yama Ramen” in Boston, Massachusetts, as part of my fieldwork. The store had a modern look and employed many non-Japanese workers. However, I could still identify many Japanese characteristics from its ramen, menu, and how the staff dressed and greeted customers with “welcome to the store” in Japanese *irasshaimase*. After the participant observation and interviews, I realized that I was misled by these external appearances. This store was, in fact, a contemporary organization and a mirror of the ongoing globalization process, as I felt that I was in a diverse space moving across different continents while interviewing employees from a single ramen shop.<sup>1</sup> This was a new experience for me because my past research shows that many Japanese companies would have made strong efforts to recreate what they thought to be an “authentic” or “original” Japanese brand and practices abroad even though some locals were

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<sup>1</sup> The author was granted permission to do field work (such as participant observation and interviews) at the shop from Yama Ramen headquarters and shop representatives.

reluctant to do so. I wondered, “What is different here?” It turns out that the company did want to reproduce “authentic” Japaneseness in Boston, much like other Japanese companies did; however, they faced some challenges strongly connected to the issue of cultural diversity. I asked myself again, “So, how does diversity influence the pursuit of authenticity and why?” This study aims to answer these questions based on an anthropological analysis of the discourse on diversity and “authenticity” in a contemporary organization. This study uses “authenticity” in the same sense as originality but focuses more on the unique cultural logic behind it. Unlike conventional business studies on authenticity that have focused largely on personal performance from a psychological perspective, this research examines “authenticity” in terms of a company’s belief. A contemporary organization here indicates an environment that employs a diverse workforce.

With the increasing movement of business and people across borders and continents, companies have more opportunities or needs to employ people from different cultures. The level of diversity might differ in companies; however, there has always been a debate on how to balance the company’s originality and authentic philosophy while adapting to local situations.<sup>2</sup> This type of strategy could be divided into two according to their targets: one is external (such as a branding strategy) and the other is internal (human resource management). Numerous studies have been conducted on how to create a unique brand overseas without disrespecting its legend, history, and fundamental values.<sup>3</sup> Some early literature showed how a company sometimes used its national culture as one of its brand-building strategies, especially if that country or region had been positively evaluated. Previous research showed that the image of Japanese products was high, particularly in three areas: price, quality, and technology.<sup>4</sup> How to balance standardization and localization in terms of managing talent is also a challenging issue for companies. To achieve higher efficiency, some companies create operation manuals so that the staff can perform in a standard way, which might also benefit the standardization of assessment criteria.<sup>5</sup> Changing some of the practices abroad is unavoidable because of differences in laws and regulations; however, the balance of these two practices can largely influence issues such as diversity management, gaining better employee engagement, and so on.<sup>6</sup>

Managing diversity includes managing personalities, races, societies, economics, and politics, but this study focuses mainly on the cultural diversity arising out of some of these aspects. In various research studies that have discussed the issues of diversity management, Japanese companies seem to have been either overlooked or widely criticized for practicing ethnocentric management.<sup>7</sup> It is debatable whether their practices are ethnocentric or not, but many would agree that Japanese companies tend to place more emphasis on philosophical or psychological aspects in their management. Some researchers claimed that Japanese companies were also eager to reproduce their “authentic” cultural practices, such as their customer service, or the *omotenashi* (Japanese hospitality) spirit in overseas branches.<sup>8</sup> Studying such organizations can contribute to better understanding of how cultural elements interact with management practices, and how a company can balance cultural and non-cultural issues.

Many scholars and business practitioners have conducted research on Japanese companies abroad; however, most of the cases have focused more on large companies such as trading companies and manufacturing firms, possibly because of their greater impact on the Japanese economy and business presence. These cases were often described as conventional, meaning that they practiced less diversity, but employed more Japanese executives and

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<sup>2</sup> Flood, R. L., & Romm, N. R. (1996). Diversity management: Triple loop learning; Gilbert, J. A., Stead, B. A., & Ivancevich, J. M. (1999). Diversity management: A new organizational paradigm. *Journal of Business Ethics*, 21(1), 61–76.

<sup>3</sup> Nagashima, A. (1970). A comparison of Japanese and US attitudes toward foreign products. *The Journal of Marketing*, 34(1), 68–74; Kaplinsky, R. (1998). *Globalisation, Industrialisation and Sustainable Growth: The Pursuit of the Nth Rent*. BN: University of Sussex.

<sup>4</sup> Ammi, C. eds. (2013). *Global Consumer Behavior*. NJ: John Wiley & Sons; Han, Min C. (1989). Country image: Halo or summary construct. *Journal of Marketing Research*, 26(2), 222–229.

<sup>5</sup> Mendel, P. J. (2002). International standardization and global governance: The spread of quality and environmental management standards. *Organizations, Policy and the Natural Environment*, 407–424.

<sup>6</sup> Pitts, D. (2009). Diversity management, job satisfaction, and performance: Evidence from US federal agencies. *Public Administration Review*, 69(2), 328–338.

<sup>7</sup> Zhu, Y. (2016). Reexamination of Japanese companies overseas: Anthropological critiques of ethnocentric management. *Journal of Management Philosophy*, 13, 60–73.

<sup>8</sup> Zhu, Y. (2016). Introducing Omotenashi to the world: Challenges of Japanese customer service in a cross-cultural setting. *Transcultural Management Review*, 13, 47–63.

managers. To better understand a holistic picture of the modern Japanese organization, this study chose a Japanese ramen company that operates more than 60 shops in nine countries and regions.

The number of Japanese restaurants has increased over the past years, which to some extent was facilitated by the recognition of *washoku* as the UNESCO Intangible World Heritage in 2014, and the Japanese government's "Cool Japan" campaign. According to statistics from the Ministry of Agriculture, Forestry, and Fisheries of Japan in 2015, there were 89,000 Japanese restaurants worldwide, a number increased 1.6 times from 2013.<sup>9</sup> According to Shinyokohama Ramen Museum's report in 2013, there were around 1,000 ramen shops abroad, of which approximately one third were in the United States.<sup>10</sup> According to the Japan External Trade Organization's (JETRO) market research in the United States published in 2012, the success factors of ramen included its rich taste and relative ease in achieving a sense of fullness at a lower cost; even though it needed to be adapted to local factors such as strict laws on importing food, it (along with the employees) showed an "authentic" Japaneseness.<sup>11</sup> What is unique about Yama Ramen, one of the successful Japanese ramen shops in the United States? How was diversity interpreted and managed in the process of pursuing "authenticity"?

This study is based on participant observation and interviews conducted in March and May 2017 in one of the Yama Ramen shops, hereafter the University shop, in Boston. The period of participant observation was relatively short compared to traditional anthropological research; however, the dynamics of globalization and diversity were observable from the very beginning. Table 1 shows the list of interviewees at the shop with their basic details. All the information related to the shop, such as the names of informants, shops, and companies are pseudonyms, and any second-hand materials that might reveal the identity of the company are not cited. Besides the two employees from Japan, other employees were from various countries including Nepal, the United States, and South America. They all had a U.S. Permanent Residence Card except for the two Japanese managers who had either a working visa or spousal visa. Jobs are divided into management and staff, and listed from top to bottom as follows: shop manager, business manager, manager for either kitchen or floor, and staff under their management. Some of the additional information about Yama Ramen is based on interviews conducted with three managers at one of the Yama Ramen shops in Canada in July 2017.<sup>12</sup>

Table 1 List of interviewees at the University shop, Yama Ramen, Boston (March and May 2017)

No.	Name	Gender	Age	Job Type
1	Aida	Male	30s	Shop manager
2	Suzuki	Female	40s	Business manager
3	Kevin	Male	30s	Manager (kitchen)
4	Doi	Female	40s	Staff (floor)
5	Elvis	Male	20s	Staff (kitchen)
6	Steven	Male	30s	Staff (kitchen)

This study will first discuss the general framework centered on authenticity, diversity, and management to illustrate the previous literature on these issues, and how this research differs. The case of Yama Ramen, including its historical development and overseas business achievements, is then introduced. One of the Yama Ramen branches, the University shop in Boston will be discussed in detail to better understand the discourse between

<sup>9</sup> Kaigai nihonshoku resutoran suu no chousa kekka no kouryou oyobi nihon shoku, shokubunka no hukuuu kentou iinkai no secchi tou ni tsuite. 海外日本食レストラン数の調査結果の公表及び日本食・食文化の普及検討委員会の設置等について (August 28, 2015) Ministry of Agriculture, Forestry, and Fisheries, <http://www.maff.go.jp/j/press/shokusan/service/150828.html>. Accessed on July 21, 2017.

<sup>10</sup> Marke Zine editor. (March 6, 2013). Shinyokohama ra-men hakubutukan ga sekai no ra-men jijyouwo repo-to 新横浜ラーメン博物館が「世界のラーメン事情」をレポート [Report worldwide ramen by Shinyokohama Ramen Museum], Marke Zine, <http://markezine.jp/article/detail/17345>. Accessed on July 4, 2017.

<sup>11</sup> JETRO. (Feb 2012). Beikokushijyou wo mezasu nihon kigyoo no torikumi jirei 米国市場を目指す日本企業の取り組み事例 [Cases of Japanese companies that aim for the United States]. JETRO, [https://www.jetro.go.jp/ext\\_images/jfile/report/07000806/us\\_jp\\_act.pdf](https://www.jetro.go.jp/ext_images/jfile/report/07000806/us_jp_act.pdf), Accessed on July 5, 2017.

<sup>12</sup> Information on the interviewees at Yama Ramen Canada will be provided in each instance along with a description of the interview contents.

“authenticity” and diversity. The conclusion summarizes the overall arguments with some suggestions offered to the company regarding its future management practices.

## 1. Diversity, Authenticity, and Management

Diversity is a challenging management issue for many companies because it has less tangible benefits; however, it is also a critical issue that managers have to deal with so as to better manage the team.<sup>13</sup> Some studies have pointed out its positive aspects<sup>14</sup> and others have suggested including diversity as a part of managers’ training.<sup>15</sup> Regardless of its importance, early literature has also pointed out various difficulties.<sup>16</sup> One of the challenges is to find ways to value individual and collective differences, which requires “translators” who can better explain the culture in a simplified way so that people are able to understand each other.<sup>17</sup> These translators, known as “cultural mediators” or “cultural brokers,” are expected to create bridges between different parties,<sup>18</sup> and this concept could apply to the case of management as well. Sometimes, a company’s goals or policies do not make sense to the local employees because they are embodied within a specific cultural logic. If this organization has translators, locals could at least have some frame of reference to its logic, although whether they agree with this logic or not is another matter. These translators may not only contribute to facilitating the integration of a diverse workforce, but also to enhancing its organizational strength.

Balancing diversity and “authenticity” is another significant issue the management needs to consider. For instance, when a company enters an overseas market, one issue they need to manage is its brand image. Some companies may have different types of brands abroad; others expect to reproduce exactly the same type of brand to ensure its “authenticity.”<sup>19</sup> This is similar to the dichotomies of standardization-localization and homogeneous-heterogeneous, while some have pointed out a third strategy—hybridization.<sup>20</sup> Studies have shown various companies’ strategies and their outcomes, but few of them have pointed out how the culture has influenced their decision-making because most management scientists tend to focus more on the rational aspect of business practices rather than the cultural or emotional aspects that guide employees’ behaviors most of the time.

Scholars in other fields suggest different perspectives. One type of study is to research the relationship between culture and authenticity. Iwabuchi examined the influence of Japanese popular culture in the Asian region and claimed that the process enhanced the cultural power of Japan along with its cultural superiority, which is the recreation of its “authentic” culture.<sup>21</sup> Zhu uses this concept in her study of a Japanese multinational company in Hong Kong and claimed that one of the reasons why the organization failed to reproduce Japanese culture was

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<sup>13</sup> Robinson, G., & Dechant, K. (1997). Building a business case for diversity. *The Academy of Management Executive*, 11(3), 21–31.

<sup>14</sup> Magoshi, E., & Chang, E. (2009). Diversity management and the effects on employees’ organizational commitment: Evidence from Japan and Korea. *Journal of World Business*, 44(1), 31–40.

<sup>15</sup> Egan, M. L., & Bendick, M. (2008). Combining multicultural management and diversity into one course on cultural competence. *Academy of Management Learning & Education*, 7(3), 387–393.

<sup>16</sup> Gröschl, S., & Doherty, L. (1999). Diversity management in practice. *International Journal of Contemporary Hospitality Management*, 11(6), 262–268.

<sup>17</sup> See literature such as Katan, D. (2014). *Translating Cultures: An Introduction for Translators, Interpreters and Mediators*. London: Routledge; and Pym, A. (2012). *On Translator Ethics: Principles for Mediation Between Cultures* (Vol. 104). Amsterdam: John Benjamins Publishing.

<sup>18</sup> See Kishi, Y. (2009). *Shain ryoku ha “bunka nōryoku” –Taiwan jin kanbu ga kataru nikkei kigyō no jinzai ikusei* 社員力は「文化能力」：台湾人幹部が語る日系企業の人材育成 [Ability of employee is ‘cultural ability’ – Narrative story of training told by Taiwanese managers] Tokyo: Fukuyoshi; Al-Krenawi, A., & Graham, J. R. (2001). The cultural mediator: Bridging the gap between a non-western community and professional social work practice. *British Journal of Social Work*, 31(5), 665–685; Kawasaki, Y., Takita, K., Sonoda, S. (eds). (2004). *Guro-barize-shon to higashi ajia. グローバリゼーションと東アジア* [Globalization and East Asia]. Tokyo: Chuo University Press.

<sup>19</sup> Zhu, Y. (2016). Re-imagining corporate branding: National culture as a marketing competence. *The Journal of International Public Policy*, 37, 53–66.

<sup>20</sup> Robertson, R. (1995). Glocalization: Time-space and homogeneity-heterogeneity. *Global Modernities*, 2, 25–45.

<sup>21</sup> Iwabuchi, K. (2002). *Recentering Globalization: Popular Culture and Japanese Transnationalism*. Durham, NC: Duke University Press.

because the sentiment of cultural superiority among the Japanese expatriates lowered employee motivations.<sup>22</sup> Aoyama anthropologically examined how a Japanese sushi chef recreated authentic Japanese food in Hong Kong and claimed that the efforts made by Japanese chefs were market-driven, and aimed to convert so-called Japanese values into a commodity.<sup>23</sup> Some literature claims that the reproduction process is based on Japanese management's ethnocentric ideology and points out the strong influence of culture on management.<sup>24</sup> This literature has shown the strong impact made by culture on the process of pursuing "authenticity."

The above review shows that few studies combined three key words: diversity, authenticity, and management in the same context. In a diverse workplace, how does a company attempt to retain its originality or authenticity intact and what kind of cultural logic underlies this? Are there any conflicts during this process? How does diversity influence this process? This study examined the Japanese ramen shop, Yama Ramen, and its overseas operations to further discuss these issues. The paper will first describe the company's historical development and its current overseas business operations. It will then analyze the company's "authenticity" and how it aims to recreate this abroad.

## 2. Yama Ramen and its Overseas Operations

Yama Ramen was established in Sapporo, Northern Japan, in 1988 and is well known for *tonkotsu* (pork bone) ramen, one of the representative broths of Japan. In the city of Hokkaido, the first Yama Ramen shop housed nine seats and served only *shio* (salt) ramen initially. The company opened its stores across Japan with either a franchise or direct operation, and has developed from a small-size regional Japanese ramen shop to an organization with more than 80 shops worldwide by the end of July 2017. Among its 21 shops in Japan, nine were directed and managed by the parent company of Yama Ramen (TIP), while the other 12 were franchised. TIP also operated other ramen shops in Japan although the Yama Ramen business had a significant influence on their overall operations. Yama Ramen started its overseas expansion in the United States and by July 2017, there were more than 60 shops in nine countries and regions. The number of stores abroad not only exceeded the number in Japan, but their profits also dominated 60% of the overall revenue meaning that the overseas operations became significant strategic locations for the company. In total, 11 Yama Ramen shops were located in the United States, followed by 10 in the Philippines and 5 in Taiwan.

An important management structure at Yama Ramen is the number of different companies involved in the operations of shops in the United States. A Japanese consulting firm (P&M) manages one shop in Washington, and two shops in Massachusetts, and the branch of TIP (D company) manages 11 shops across three states and one city. When a company operates through franchise or directly manages their stores abroad, one of the important strategies they have to consider is how to balance standardization and localization in both brand building and management so as to balance the company's power.<sup>25</sup> Yama Ramen's parent company, TIP, interfered less in the actual local management, and gave a certain amount of autonomy to the local management companies. This required mutual trust between the top management at Yama Ramen and local management companies. While people at TIP felt that there was a huge market for ramen overseas, the local management company believed that the beauty of Japanese culture could be exported and disseminated through its ramen shops. In a media interview, the Chief Executive Officer (CEO) of P&M said that it was their mission to share both tasty Japanese food and the beauty of Japanese culture, such as Japanese hospitality or the *omotenashi* spirit. Managers at Yama Ramen Canada also said that they should share the positive aspects of Japanese culture with overseas customers. These missions reflect the strong expectations from the company to the overseas ramen shops in terms of realizing not only its "authentic" ramen but

<sup>22</sup> Zhu, Y. (2013). *Control and Manipulation: The Company Building Process of a Japanese Fashion Enterprise in Hong Kong*, (Doctoral dissertation). Retrieved from HKU Scholars Hub.

<sup>23</sup> Aoyama, R. (2016): Global journeymen: Re-inventing Japanese craftsman spirit in Hong Kong, *Asian Anthropology*, 14(3), 265–282.

<sup>24</sup> Zhu, Y. (2016). Reexamination of Japanese companies overseas: Anthropological critiques of ethnocentric management, *Journal of Management Philosophy*, 13, 60–73.

<sup>25</sup> Lu, Y., & Bjorkman, I. (1997). HRM practices in China-Western joint ventures: MNC standardization versus localization. *International Journal of Human Resource Management*, 8(5), 614–628.

also Japanese culture.

The reasons why these beliefs seem to become stronger each year is because of the huge popularity and financial success of many Yama Ramen shops in the United States. A representative of the Canadian branch stated that even though the rent is much higher than in Japan, it did not appear that difficult to earn profits compared to Japan. Japan has a larger number of ramen shops with a variety of choices and fierce competition. The Canada representative said that it is hard to win a market share without creativity, and that constant improvement of taste is necessary as customers get bored easily. An interview in Boston also reiterated that even though the financial goal was set higher and the rent was several times higher than a shop in Japan, the shop manager was so far able to achieve his goals without greatly reforming his business strategies.

It is important for the top management to share the same goals and beliefs, but how can an overseas shop realize these in the actual workplace? This study will discuss the managerial strategies of Yama Ramen for achieving two goals: unifying its “authentic” food and atmosphere, and unifying the philosophical aspect—“authentic” Japanese-ness. An examination of the two types of “authenticity” aims to provide a basic understanding of the environments that resulted in the conflicts and struggles between the management and the workers.

### (1) “Authentic” food and atmosphere

One of the most important practices Yama Ramen insisted on sharing was the taste of its broth, which involves three main steps. The first was to train the shop managers in Japan before their departure. All shop managers were Japanese and needed to attend a two-month (or longer) training in an “authentic” shop located in Northern Japan.<sup>26</sup> This was slightly different from most of the “traditional” Japanese restaurants where several chefs had relatively long years of experience as some shop managers used to be office workers before “becoming” ramen chefs. In other words, they were “trained” professionals who were expected to represent and recreate the “authenticity” of the Yama Ramen taste. The second step was to clarify the amount of ingredients and simplify the cooking process so that anyone could learn it in a short period of time, which is a fairly common practice in many types of food chains.<sup>27</sup> Every store needs to make fresh broth every night and, in general, only full-time employees with more experience were allowed to access the recipe and actual process.<sup>28</sup> In order to control the taste of the broth, the company had a third step: monitoring. Yama Ramen requires every top manager to eat three bowls of ramen containing different tastes each day before opening the shop. One of the representatives in Canada claimed that he was afraid of gaining weight because eating three whole bowls of ramen every morning was too heavy for him. The head office did not respond positively to his request for smaller bowls because only tasting from the whole bowl would reveal differences. This insistence by the company once again shows how much Yama Ramen values the unified tastes of “authentic” broth.

Besides its broth, the company exports most of the eating utensils, which were designed for multiple purposes from Japan. For instance, the ramen bowl was designed to keep the food warm for a relatively longer time. Almost every food item is supplied locally, including the noodles, pork bone for the broth, eggs, ramen, and *chashu* (marinated braised pork) owing to the strict legal regulations in the United States; however, the local management companies were trying to create food as “authentic” as possible by contracting with local factories to make these recipe ingredients exclusively for them. For instance, noodles were produced in a Japanese company’s factory in the United States and were delivered across the country and Canada. In addition, the menu was not allowed to be altered without consent from Yama Ramen. For instance, a shop manager in Canada said that it was impossible for them to offer curry ramen because it would destroy the brand image of the company, which represents “authentic” ramen. The manager added that every small alteration to the menu, such as creating a new type of dessert or drink, needed approval from its U.S. management company.

Yama Ramen aims to create an “authentic” store atmosphere by unifying some store decorations and practicing its unique location strategies. Before opening any new store, Mr. Tanaka, the person in charge of store

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<sup>26</sup> Only one of the Japanese store managers who had not received any “formal” training in Japan was promoted locally although in his case, the manager at D company visited the store quite often to ensure the taste was “authentic.”

<sup>27</sup> Kaufmann, P. J., & Eroglu, S. (1999). Standardization and adaptation in business format franchising. *Journal of Business Venturing*, 14(1), 69–85.

<sup>28</sup> The author was allowed to take pictures in most places in the shop except for the area where the broth was made.

design will be sent to discuss the details with the local representatives. While some issues were negotiable, others were not. For instance, the company's logo, from its form and color to every inch between the characters, needs to be exactly the same everywhere. Mr. Tanaka would check the logos regularly to make sure they were identical. This is one of the most basic requirements and every overseas store and local management company respects this. The basic color for the store is black although the color of flooring and other details could be negotiated. For instance, one of the shops I visited in Canada featured modernity and tradition by combining a modern style of store decoration with the Japanese Ainu culture, and the details were determined by negotiations between Mr. Tanaka and the local representative rather than predetermined earlier. The local representative told me that he was given the power to choose not only one of the local antique shops as a supplier for the shop's chairs and tables, but also to design some of the decorations to enhance the concept's message. The power given to Mr. Tanaka was extensive as he would be the person with ultimate decision-making power in any Yama Ramen shop. This is one of the ways of unifying the store's concepts across cultures.

Location strategy also contributes to creating the unique store atmosphere. The recent opening of shops abroad, and especially the independent ones, shows the head office's aim of transforming its brand from "a" Japanese ramen shop to "the" ramen shop. Most of the Yama Ramen shops in Japan are independently located along the road (so-called "road-side shop"), or housed on the first floor, or sometimes the basement. Compared to Japan, food courts in the low-mid end shopping malls are more common for Yama Ramen in the United States. These shops are all housed in the same shopping malls that were locally founded by the Japanese. According to an informant in Yama Ramen, Canada, opening shops in a shopping mall has unlimited capacity to attract customers; however, it did not help in creating a sophisticated brand image, and a repetitive and tedious environment also discouraged employees from working harder. Out of 14 independently housed Yama Ramen shops in the United States, 3 often required market research, higher rents, and further preparations, but this format was considered to be an efficient way to create a unique brand and better educate employees. For instance, one independent shop in Boston with antique lights and classical music was aimed at creating a sophisticated yet Japanese ramen shop. This type of shop also allowed shop managers to spend more time on educating employees and retaining good talent. The company's strategic shift from the shopping mall to independent stores was also aimed at building an "authentic" brand image with a group of educated and loyal staff.

The section above described how Yama Ramen aimed to unify its "authentic" brand image by standardizing the broth making and food preparation, and by sharing the concepts for creating a unique store atmosphere and store format. Local management companies were given a certain amount of autonomy for monitoring the broth, negotiating and making decisions on matters such as actual food preparation, and store decorations. In comparison, persuading local staff to practice "authentic" Japaneseness seemed to be more challenging. The next section will describe the meaning of "authentic" Japaneseness and how employees are expected to practice this at the local shops.

## (2) "Authentic" Japaneseness

One of the missions for both the Yama Ramen head office and franchise owners is to fully harness the potential of Japanese food and the culture attached to it. This study will illustrate one aspect of Japanese culture, namely, its management philosophy, which is based on three key concepts: *omotenashi*, *seishin-ron* (theory of mental toughness), and *zen'in keiei* (involving everyone in management). These were not written out formally, but many managers at Yama Ramen shops used exactly these terms or similar words when they explained "Japaneseness."

The Japanese style of hospitality or *omotenashi* has been one of the buzzwords not only for Japanese companies but also the Japanese government as part of the "Cool Japan" campaign started in the early 2010s. While many Japanese companies claimed this to be part of the traditional cultural practices and strongly suggested its dissemination, a study conducted by Zhu claimed that this concept results in superficial performance and a one-way practice based on the analysis of two aspects of Japanese customer service: the importance of *kata* (form), and a one-way guest-host relationship.<sup>29</sup> These two concepts show how people *should* behave rather than *would* behave

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<sup>29</sup> Zhu, Y. (2016). Introducing *Omotenashi* to the World: Challenges of Japanese Customer Service in a Cross-cultural Setting, *Transcultural Management Review*, 13, 47–63.



in specific situations, and how they *should* serve customers by predicting what they want even though they might not need these services.

Emphasizing how employees present themselves through *kata* was considered to be important during the interaction with consumers, which includes some practices such as smiling in a specific way, handing over products or change in both hands, and using particular words with consumers. In other words, it is important to practice *kata* in the “right” way. Unlike the seminal research by Hochschild, who showed how employees in many workplaces such as airlines, restaurants, and hotels need to control their behaviors,<sup>30</sup> Japanese employees need to not only conduct themselves in the way the company or the society desires but also need to behave “accurately.” Japanese companies often utilize manuals to educate employees to practice behaving in this manner; however, many local employees found these manuals ambiguous because their underlying cultural logic was different from the local culture.<sup>31</sup> Yama Ramen did not have a specific written manual, but the concept of *omotenashi* was shared among Japanese top managers. One of the representatives in Canada said that it was *atarimae* (common) for Japanese to know the meaning of *omotenashi*, and picked up a small piece of trash nearby to make a point that this type of “care” (in Japanese, *kidukai*) for the customers shows the Japanese *omotenashi* spirit. This behavior, in fact, shows the one-way host-guest relationship, meaning that even some local customers did not care or even notice the small piece of trash, but how they think does not influence how servers behave. This representative added that he understood sometimes that Japanese service might be excessive, but this is the beauty of Japanese culture. This does apply not only to the case of customer service. I once saw the shop manager in Boston clean out the garbage because it was too full. He said that even though this might not be his job, anyone who saw this situation should clean it up as part of *kidukai* because it is for the sake of all employees. These behaviors and thoughts represent very well how the managers value the spirit of *omotenashi* abroad and wish to disseminate its practices.

The second key term to better understand the Japaneseness at Yama Ramen is *seishin-ron*, which literally means the theory of mentality, and in this study indicates specifically the theory of “mental toughness.” This term has positive and negative meanings. On the positive side, it implies one’s energetic personality and dedication to teamwork, but on the negative side, it expresses one’s strong tendency to comply with authority and willingness to work overtime. This type of ideology is interrelated with the concept of *taiikukai-kei*, literally meaning the groups of people who belong to or used to play at either professional or amateur sports clubs. These groups of people were considered to be suitable for certain types of work in Japan, such as sales personnel who have strong team spirit and mental toughness.<sup>32</sup> A representative in an overseas Yama Ramen shop used to work in the sales department and said that he had very limited time with his family in Japan because he was working extremely long hours. He considered himself as *taiikukai-kei*, and believed working long hours to be cool.

Focusing on one’s work attitudes and process rather than results is another feature of Japanese management. According to Thomas Rohlen, who conducted participant observation in a Japanese bank, spiritual training for new employees is for cultivating their mental strength and molding their adaptability.<sup>33</sup> This type of ideology has some similarities with military training. According to Ronald Dore’s comparative study on British and Japanese factories, one of the distinctive features in a Japanese organization is its strict hierarchy and obedience to the hierarchical order, which is similar to military practices.<sup>34</sup> If an organization has top management with such an ideology, it may face challenges with insufficient support because the management believes that it is necessary for people to suffer and fight until they drop. This situation applies to some of the cases in the Yama Ramen operations, which will be further discussed below.

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<sup>30</sup> Hochschild, A. R. (1979). *The Managed Heart: Commercialization of Human Feeling*. CA: University of California Press.

<sup>31</sup> Zhu, Y. (2016). Introducing *Omotenashi* to the world: Challenges of Japanese customer service in a cross-cultural setting. *Transcultural Management Review*, 13, 47–63.

<sup>32</sup> Osano, K. (2015). *Taiikukai no gakusei ha hontou ni shuushokuni yuuri nanoka. 体育会の学生は本当に「就職に有利」なのか* [Does taiikukai-kei have advantage for job hunting?]. Toyokeizai online, <http://toyokeizai.net/articles/-/97608?page=2>. Accessed on July 1, 2017.

<sup>33</sup> Rohlen, T. P. (1974). *For Harmony and Strength: Japanese White-Collar Organization in Anthropological Perspective*. Berkeley, CA: University of California Press.

<sup>34</sup> Dore, R. P. (1990). *British factory, Japanese factory: The origins of national diversity in industrial relations*. Berkeley, CA: University of California Press.

The third key term relating to the concept of “authentic” Japanese-ness at Yama Ramen is *zen'in keiei*, which indicates a situation where employees at every level are involved in management. This concept was developed by Konosuke Matsushita, the founder of the Japanese electronics company, Panasonic, and was aimed at increasing the awareness and involvement of employees in management, actively listening to their voices so as to improve their products and services.<sup>35</sup> For instance, some Japanese companies require part-timers to check or even memorize sales targets, and analyze customer purchase tendencies so that they could brainstorm how to improve sales.<sup>36</sup> Other companies may ask employees to share their responsibilities with each other rather than clearly distinguishing between their jobs so that everyone can have their eyes on others' work. This requires an ambiguous job description, which is a representative characteristic of Japanese management, and also the underlying requirement for realizing *zen'in keiei*.<sup>37</sup>

Many Yama Ramen managers believed that it was necessary for all staff to be aware of what was going on at the store. That is why employees needed to attend briefing sessions together to learn the previous day's or the monthly sales, and customers' purchasing tendencies. Some local employees cared less because learning these facts would not change their position or salary at the store nor was it written in their job description; however, the company believed that these sharing sessions could help in gaining more loyal employees able to point out a problem, analyze the situation, and generate better solutions. They stressed the importance of sharing responsibilities together because the workplace was not simply a place for work but also a small community where people could find their sense of belonging and purpose. The next section of the case study will address how this type of ideology has been interpreted at Yama Ramen shops and how the tipping system influences its practices.

The previous section described the meaning of “authenticity” for Yama Ramen according to three aspects: *omotenashi* (Japanese hospitality), *seishin-ron* (theory of mentality), and *zen'in keiei* (involving everyone in management). After defining the concept of “authenticity,” the next step is to “translate” it to the local staff. At Yama Ramen, line managers, such as shop managers and other managers, were expected to play the role of “missionaries” who translate and pass on messages from the top to the bottom. Corporate goals, such as pursuing “authenticity,” are usually abstract and broad, and need translation into detailed explanations or sometimes instructions.<sup>38</sup> This work is challenging and unpredictable because every manager may translate “authenticity” differently even though they share a similar ideology of what “authentic” Japanese-ness is. This is different than making broth, and unifying ramen bowls and store decorations because these are more clearly defined and leave space for negotiations. Therefore, it is important for the line managers to discuss the practice and ensure that they are on the right path (and the same path).

How were the concepts of “authenticity” actually interpreted and presented in an overseas Yama Ramen shop? How does the local management company influence its practices? How do managers and staff respond to each other? This study selected one Yama Ramen branch, the University shop in Boston, to further discuss these issues so as to better understand the challenges of diversity management and the conflicts and struggles that arose in the process of pursuing “authenticity.”

### 3. Yama Ramen in Boston

Independently built, the University shop was located near an Ivy League university in Boston, and was managed by P&M, the Japanese consulting firm (along with another store in downtown Boston and one in Washington). It is located near one of the main roads connecting the campus and residential housing, and is only a few minutes from the nearest metro station. The road in front of the shop offers various restaurants to customers including Chinese, American, Indian, Vietnamese, Korean, Malaysian, and fusion. Its proximity to the Ivy League

<sup>35</sup> Nonaka, I. Katsumi, A. (2015). *Zen'in keiei: Jiritsu bunsan inobe-shon kigyou seikouno honshitsu*. 全員経営: 自律分散イノベーション企業成功の本質 [Zen'in keiei: Success recipe of autonomous decentralized innovation companies]. Tokyo: Nikkei Book.

<sup>36</sup> Zhu, Y. (2015). Corporate ideology and store managers: Implication from a Japanese retailer. *The Journal of International Public Policy*, 36, 1–24.

<sup>37</sup> *ibid.*

<sup>38</sup> Dessler, G. (2016). *Fundamentals of human resource management*. Florida: Florida International University.

university attracted not only students but also tourists, and it was busy even on weekdays. As a flagship store, the University shop represents the most advanced and latest brand image of the company. It has 59 seats decorated with carefully selected furniture, and music to create a comfortable and modern atmosphere. The price of ramen is slightly more expensive than in Japan. For instance, one combo, a bowl of ramen with sides such as *gyoza* (fried dumpling) or *karaage* (fried chicken) costs around US\$20. This is not only to fit the price range to the market situation, but also to balance the profits and the expensive rent. High rent and fierce competition does not stop Yama Ramen. Its financial status was stable and increased every year, which gave the shop manager greater expectations as well as increased pressure.

Data are based on the fieldwork conducted in March and May of 2017 at the Boston shop, including interviews with six employees, and additional information retrieved from second-hand sources.<sup>39</sup> Employees at the University shop were either managers or staff who were assigned to one of two locations: kitchen or floor. Job titles from the top to the bottom were: shop manager, business manager, managers of kitchen or floor, and staff under their management. The staff working on the floor had two different roles: one was the server who took the customer's order, and the other was the busser who brought the food and cleaned the tables. The roles of the kitchen staff were mainly divided according to their specific jobs, such as cutting vegetables, boiling eggs, and so on. The ratio of managers to part-timers was 2:8, and most staff were aged between 20 and 30.

The shop manager, a Japanese man in his early 20s, had been sent to America five years previously. He helped open shops in several cities in the United States, and was then assigned to work as a shop manager at the University shop. The business manager, a Japanese woman with fluent English, was expected to be in charge of "everything but broth making." Four other employees I interviewed had different countries of origin, including South America, Nepal, Japan, and the United States. Except for one person from Nepal, all other employees were able to speak fluent Japanese by virtue of having either grown up in Japan or through self-study. It was a coincidence that most of them were able to speak Japanese because interviewees were randomly selected according to their break time. All the interviews were conducted informally, as I chatted with them while they were taking a break or working in the back room. Direct quotes are not used frequently here because it is more important to illustrate the space created by the people rather than simply quoting what they said.

The next section will discuss how the management philosophy of P&M, the Japanese consulting firm that operates the store, is interrelated with "authentic" Japaneseness. This case study will not discuss the standardization of "authentic" taste and store atmosphere because most of the practices were well standardized, and it is the interpersonal aspect of the "authenticity" that created more challenges. This study then examines how shop employees interpreted these ideas, and how this interaction resulted in conflicts between the shop manager and others, and between Japanese ideology and local practices. A discussion of this case study is included at the end of this section.

### (1) "Authentic" Japanese management philosophy

P&M, a Japanese consulting firm, was established in Japan in 1999 and started its overseas expansion in 2013. Besides its Yama Ramen operations, the company is also involved in various fields such as farming and machinery, mostly based in Japan. The Yama Ramen shop in Washington was their overseas debut. Along with the president of Yama Ramen, who is one of the executives at P&M, the U.S. branch has three members including the CEO and two staff. The CEO of the company, Mr. Takada, began his career in a retail industry, and changed his job to a venture company where he discovered the potential of the Internet. During his days at the second company, he and others founded the company's professional sports club where he served as club director. After taking early retirement, he founded P&M and started franchising a machinery business. He befriended the president of Yama Ramen and believed that opening ramen shops could fulfill his dream to provide opportunities to young Japanese and fully harness the potential of Japanese food and culture. In a media report, he compared a sports team to the ramen shop saying that the store manager (coach) needs to motivate and encourage employees (players) to perform well and acquire more customers (fans). In this context, he was the executive/general director. According to another media interview, he showed his desire to disseminate Japanese food and its *omotenashi* culture. This echoes what

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<sup>39</sup> This paper refrains from citing these sources because they might reveal the identity of the company.

the representative at Yama Ramen Canada told me, “We want to share the beauty of ‘Japaneseness’ (*nihon-rashisa*) by serving traditional dishes with the *omotenashi* spirit. The ramen has just started getting recognized abroad, and I believe it will become as well-known as sushi someday.”

The above section described the management philosophy of the local management company, P&M, which largely emphasizes the importance of disseminating “authentic” Japaneseness in Boston. How do employees interpret and respond to this? How does it influence human relations at the shop? The next section will analyze how and what caused the struggles of the shop manager in the process of interacting with local employees, and the conflicts between Japanese ideology and local practices.

## (2) Human relations and the struggles of the shop manager

Conflicts between the shop manager and others can be examined according to four main aspects: diverse workforce, lack of management training, little support from others, and poor communication skills with an ethnocentric ideology. Employees at the University shop were racially diverse. For instance, three kitchen managers at the shop were from different ethnic backgrounds, namely, Japanese-American, Korean, and American. There were more than four different ethnic groups at the store working as either managers or staff. The two main ethnic groups were Hispanic and Indian, which dominated the overall employees at 20% and 40%, respectively. Other major ethnic groups included people from Vietnam and Thailand. The shop manager commented that not all shops in Boston were the same, but because of the store’s large size, the ethnic groups were more diverse. Some tended to invite their friends or relatives from the same country or region to work at the University shop, so the relative size of the ethnic groups grew as well. It was also not uncommon for these employees to have lived abroad. One of the informants from Nepal told me that he had worked in different cities before he worked in Boston. Most of his family members were out of Nepal for either work or study, and his younger sister was studying in Tokyo as a scholarship recipient of the Japanese government.

A diverse workforce is one of the possible obstacles to facilitating the dissemination of “authenticity” at the store, in particular, “authentic” Japaneseness. One means of looking into this issue is by examining the role of line managers, including the shop manager, business manager, and the kitchen and floor managers. They were expected to pass the message from the top management to the local employees effectively; however, in this process, the shop manager described how he was struggling with a feeling of hopelessness because other managers did not share the same goals owing to differences in their cultural backgrounds. Moreover, this difference was not only from one culture to another, but to multiple cultures, which made it even harder for the shop manager to pass on the message. Based on these observations, the author believes that if the Boston shop had recruited a less diverse workforce or more Japanese employees, there might have avoided this problem; with employees sharing similar values and beliefs, the results might have been better in terms of disseminating “authentic” Japaneseness. In the case of Canada, where employees were mostly Japanese with working holiday visas, less diversity at Yama Ramen shops contributed positively to cultivating a better environment for achieving the goal of realizing “Japaneseness.” Other than diversity, another possible reason is lack of training on how to manage a diverse workforce.

Lack of management training is due to two conventional Japanese managerial practices in P&M. First, every employee is educated in the organization based on his or her potential and no prior experience is needed.<sup>40</sup> Every employee is expected to learn through on-the-job training rather than intensive training; this also applied to the case of the shop manager, who had no training or education of being a manager before or after he was sent to the company, because the top people believed that he would learn from experience. This also reflects the ideology of *seishin-ron* (theory of mentality) as people with this mindset believed that as long as you could communicate with the employees “from the heart,” they would cooperate with you even though you did not have any management skills. The business manager at the University shop commented that this type of ideology does not distinguish “boss” from “leader,” and from her point of view, the top people at P&M were the former (i.e., those who do not have leadership ability, but only want their subordinates to follow orders).

Another possible reason for the lack of management training is because Japanese organizations value

<sup>40</sup> Yamashita, Y. (2016). *Jinteki shigenkanri to nihon no soshiki*. 人的資源管理と日本の組織 [Human resource management in Japanese organizations] Tokyo: Dobunkan.

“professional” managers less and “generalists” more, which contributes to the realization of democratic decision-making. In Japanese companies, many managers do not have their own offices because they are expected to observe the progress of their subordinates and create the image of a “people person” by sharing the office with them. Many Japanese organizations require management trainees to go onto the front line for the first several years, including cleaning the washrooms before they are promoted as managers.<sup>41</sup> This type of management needs to have an ambiguous job description where people’s jobs overlap so that sometimes the manager does the work of their subordinates and vice-versa. These elements prevent P&M from providing any professional training.

The third possible reason for conflicts is the negligible support the shop manager received from P&M and other managers at the store. The first and most influential manager was the Japanese business manager, who had a strong opposition toward P&M’s management philosophy, which reflected “traditional” Japanese management. This related to her working experience back in Japan. When she was job hunting before graduating from university in Japan, she experienced several instances of gender inequity and felt that finding a decent career in Japan was hopeless. Luckily, she was able to find a job in a foreign company after working for several years at a traditional Japanese firm, as she had dreamed of working in a place where she could be free from gender inequality, which she believed represented “traditional” Japanese management. Ms. Doi, who worked at Yama Ramen as a server, agreed with this opinion and said that the working environment was not ideal for women who wanted to climb the career ladder in the 1990s. Ms. Doi had lived in the United States for quite a long time, which had allowed her to gain a certain degree of cultural competency. As “cultural mediators,” such employees could have helped the company disseminate “authentic” Japaneseness more effectively; however, their disagreements made them reluctant to do so.

The shop manager was also not getting sufficient support from P&M mainly because the company did not want to pay extra for an expensive and unnecessary expatriate. He commented that since he had worked at the University shop, he felt more pressure because of the higher sales goals and diverse workforce. He had had to work six days a week and more than 12 hours a day for the past several years because he found no reason to rest or go home early. This situation improved slightly after he married and had a child; however, P&M was not positive about sending any helpers although the shop was finally going to get a Japanese manager in the middle of 2017. P&M’s behavior could be thought of as rational in a sense, as it looked at the sales and found no reason to send any additional staff, but they also had the mindset of *seishin-ron* (theory of mentality), and *taiikukai-kei* (playing in a sports team), which led them to believe that people should work until they drop otherwise they were not trying hard enough.

The last reason why the shop manager struggled with the company’s mission was due to his poor communication skills, which somehow reflected his ethnocentric ideology as well. The shop manager seldom interacted with the local employees unless he felt it to be necessary or urgent. He felt his limited management experience and language ability made it hard for him to communicate well with different people. Interviews and observations suggested an alternative interpretation. Fluent language skills and rich management experience might positively influence one’s communication; however, the case of the shop manager showed his strong belief in Japanese culture. He felt challenged to educate local employees to understand Japanese culture and practices, which he believed to be the best way to attract and serve customers. His insistence on following Japanese practices or, alternatively, his feeling that Japanese culture was superior to others had strongly influenced his behavior. Given this ideology, he was reluctant to adapt his ideas to the local situation or actively learn what local people thought. The business manager agreed that sometimes problems were caused not simply because of insufficient language skills but with how they thought. She believed that it was important to communicate with the staff and give them an opportunity to understand what the management wanted from them. A local kitchen staff, Steven, who had himself learned Japanese and had strong language skills said:

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<sup>41</sup> Clark, R. (1979). *The Japanese Company*. Cambridge, MA: Yale University Press.

The shop manager barely communicates with us. He hasn't explained anything about Japanese culture here. As one of Japan's fans, I feel the Japanese way of customer service is great and locals should learn from that. The way people offer their services is different here. Americans need to show they are professional if they have the ability (i.e., stick their chest out), but the Japanese are modest with a different style of service. I think locals could learn how to bow, but they need to understand the Japanese culture first. It is possible for them to behave exactly like Japanese, but without understanding the culture, it is very hard to practice it.

(Informal interview at the University shop, May 9, 2017)

This situation is very similar to the case where a Japanese apparel retailer reinforced the practice of a customer service manual without explaining its content because many Japanese expatriates did not realize it would be a problem for local employees to follow the manual.<sup>42</sup> Many people's behaviors were culturally determined and some would not explain why they were behaving in a certain way until people from the other culture asked them. The case of the shop manager cannot represent all situations, as there were many managers who were willing to listen to and accept local cultures into management, but the point here is that an ethnocentric ideology can be constructed unintentionally and become stronger when working in a diverse workplace. In other words, for some groups of people, the more they interact with different cultures, the more they value only their culture and not others. History has already proven that if certain groups of people utilize this ideology only to favor themselves, they learn this lesson the hard way.<sup>43</sup>

The above section explained how the relationship between the shop manager and other employees slowed down the dissemination of "authentic" Japaneseness. Observations and interviews show that not only the shop manager's personality but also the way of thinking that he had cultivated in Japan strongly influenced his behavior. Another factor influencing the pursuit of "authenticity" is the gap between local practices, such as the tipping system, and Japanese management philosophies, such as *omotenashi* and *zen'in keiei*.

### (3) Conflict between Japanese ideology and local practices

The tipping system for service providers is a common practice in many countries and its main purpose is to encourage employees to serve customers better.<sup>44</sup> For instance, employees at some clothing stores can receive tips indirectly from the customers by putting their names on the customers' purchases, which is not uncommon in many apparel shops in Hong Kong. In the United States, tipping the servers at a restaurant is important to their overall income. In Canada, it is not uncommon to tip the taxi driver, but it is not mandatory in some cities. These customs might be slightly different from one another, but in general, if the servers fail to satisfy customers' expectations, customers can choose to give less, or nothing at all for that matter. The tipping system was introduced at the University shop in Boston as well as many other Yama Ramen shops in the United States to adapt to the local situation. A difference between Boston and other shops in the United States was the division of labor on the floor: one type of work was the server's and another was the busser's. While the server was responsible for taking orders, the busser would bring the food to the table and clean it afterward. This practice was considered to be fairly common in Boston and was introduced by a former local manager. Not only servers but bussers were also entitled to receive tips.

The shop manager agreed that the tipping system for the floor staff did motivate them, but as it did not help motivate the kitchen staff he believed that the system was imperfect. He wanted to motivate both in the same way so that he could attract not only skilled employees but also loyal ones. This is based on the ideology of *zen'in keiei*, where all staff help each other to improve the management. It is also influenced by the practice in Japan, where the

<sup>42</sup> Zhu, Y. (2015). Implementation of management philosophy overseas: Case study of a Japanese retailer in Hong Kong. *Journal of Management Philosophy*, 12(1), 114–122.

<sup>43</sup> Boas, F. (1940). *Race, Language, and Culture*. Chicago, IL: University of Chicago Press.

<sup>44</sup> Seiter, J. S. (2007). Ingratiation and gratuity: The effect of complimenting customers on tipping behavior in restaurants. *Journal of Applied Social Psychology*, 37(3), 478–485.

scarcity of tipping led companies to practice different strategies.<sup>45</sup> One strategy was to transfer employees to work in different departments so that they could find their best match. Takahashi claimed that Japanese organizations paid attention to what the jobs could give employees, namely, a sense of purpose rather than simply monetary rewards.<sup>46</sup>

Unfortunately, abolishing the tipping system or rotating employees' jobs has some challenges mainly because of different language abilities. One of the criteria for choosing servers was their language proficiency. Servers could determine a customer's image of the shop and they needed to be carefully selected. Participant observation made it clear that most of the servers were native English speakers from the local area while others, such as the busser and kitchen staff, had lower language abilities. Some kitchen staff did not speak English at all, which limited their workplace to a location where no interaction with the customers was required. Another problematic issue was the conflict among some groups of employees. Some ethnic groups tended to gather together and speak their own language, which sometimes created a wall between them and the others. This was apparent during my observation where I heard more than two languages in the kitchen. The last thing management wanted was a conflict at the store, and the shop manager believed that abolishing the tipping system could encourage employees to cultivate a group spirit that would reduce conflicts as much as possible; however, he realized this was very difficult because of existing tipping practices, and he was caught between these two ideas. What if the employees were mostly Japanese? How would they handle tipping? Shops in Canada may provide some clues. The tipping system existed in Canada as well, but Japanese employees there were reluctant to fight over tips; this did not seriously influence their work because many of them had limited expectations of the monetary rewards they could get from working at Yama Ramen Canada. This shows that employees with similar cultural backgrounds to Japan may better facilitate the dissemination of "authentic" Japaneseness although it does not mean it is impossible in Boston, only harder.

Another "authentic" Japanese management philosophy, the *omotenashi* spirit, also appeared to encounter some difficulties during its dissemination. Many Yama Ramen shop managers I interviewed used "self-centered" as the opposite to *omotenashi* or, in this context, "selfless" to describe some local employees' behaviors that dissatisfied them, especially those they termed "individualism." The shop manager at the University shop told me of an incident when a server misbehaved during an interaction with customers. The server took the wrong order from the customer, and after the customer had eaten the food, the server asked him to pay. From the shop manager's perspective, the server should not have asked for money because it was the shop's fault in serving the wrong food. He felt that this type of behavior showed that the server did not consider the customers' feelings. Another example was how the employees were reluctant to work if it was outside of their job description. From the shop manager's perspective, if employees had nothing to do, they should help colleagues, which would ultimately contribute to improving overall work efficiency. The shop manager understood that the local employees behaved according to the job description written on the contract; however, he still believed that every employee should voluntarily help others. In this context, the *omotenashi* spirit not only applied to the customer-server relationship but also to relationships with colleagues. A Japanese representative at Yama Ramen Canada gave me an example of a local staff member who did not show up for work because he had a date with his girlfriend, and explained there was nothing he could do because he had to please her. The representative said it was "unbelievable" because he could not imagine the same situation in Japan, and that such situations made it difficult for him to trust local employees.

The above section shows how much the shop manager valued the Japanese cultural ideology; at the same time, it shows how he interpreted the local's behavior according to his values. The examples the shop manager and the representative mentioned might not apply to all locals, but they tended to connect them to stress and therefore found it difficult to build relationships of trust with staff. As the kitchen staff member, Steven, claimed, education was necessary for the local employees. For instance, if the shop manager clearly guided the employees when they

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<sup>45</sup> In a few high-end restaurants, some customers might tip by wrapping it in an envelope or might give the change to the taxi drivers.

<sup>46</sup> Takahashi, Nobuo. 2010. *Kyomou no seikashugi: nihongata nenkousei hukkatsu no susume* 虚妄の成果主義：日本型年功制復活の進め [Unrealistic merit system: Revival of Japanese seniority-based system]. Tokyo: Tsukuma Shobou.

made mistakes or informed them of the consequences when they did not show up for work, the result might be different. Education is critical and necessary before Japanese managers judge the locals; otherwise, lack of awareness not only leads to stereotyping but also prevents local staff from learning.

#### **(4) Discussion**

This section first reviewed the external environment and financial achievements of the Yama Ramen University shop in Boston, United States, and then discussed the conflicts and struggles at the store through considering three aspects: the management philosophy of P&M, human relations between the shop manager and staff, and the gap between Japanese ideology and local practices. Financial achievements seem to suggest the management's success; however, the strong insistence on disseminating "authentic" Japaneseness may become an obstacle to motivating employees, which would have a negative impact on its operations in the long term. In addition to a diverse workforce, lack of management training, insufficient support, and communication based on an ethnocentric ideology caused conflicts and struggles for the shop manager during the process. A unique feature of Boston's case was that even within the dynamic movement of people across cultures, the pursuit of "authentic" Japanese management philosophy did not fade away, but only became stronger. This shows how a unified culture was encouraged at Yama Ramen, and echoes some claims that our society is becoming more culturally homogeneous.<sup>47</sup> Many examples suggest the company's attempts to cultivate a single and unified cultural practice at the store; however, the locals' reactions showed that diversity was important and valuable.

The reluctance to listen to local opinions and little interaction with them did not help the shop manager introduce the concept of "authentic" Japaneseness, but created a wall between the two and reinforced an ethnocentric ideology. This may cause considerable harm for corporate management in terms of building mutual trust and cultivating a cooperative spirit. It often takes time and effort to introduce a new type of system or beliefs into a diverse workplace, but it also requires long-term and intimate communication with the local parties to achieve this goal.

#### **4. Conclusion**

This study examines the dynamics of diversity management in a contemporary workplace by focusing on the challenges a company faces in the process of pursuing "authenticity" overseas. There have been numerous studies about diversity management, but only a few of them have described how the idea of "authentic" culture plays a significant role in the process of achieving corporate missions and what their management practices imply. Based on a detailed analysis of the University shop in Boston, this study has two unique findings. The first is that during the company's pursuit of "authenticity," Japanese managers' overt confidence or belief in the concept had ironically become a main obstacle in facilitating the process. Examples in this study showed that the more Japanese managers believed in the necessity of disseminating "authentic" Japaneseness, which most of them did, the more they felt that Japanese culture was superior, which resulted in poor communication with the locals and less interest in their side of the story. Poor communication and limited mutual understanding eventually resulted in slowing down the process of achieving "authenticity."

Another unique finding is that the more diverse the workplace is, the more unified "authentic" culture is considered to be ideal. At the University shop, different languages, customs, and behaviors could be observed. You would not even realize which country you were in as the staff was so diverse. As such, the University shop experienced a dynamic flow of globalization in a small and compact space. In such an environment, the Yama Ramen management had another aim—to create singular and unified cultural practices and values. This seems to have provided an example of how our society has become culturally homogeneous; however, the reactions of local employees showed that cultural diversity still has a huge impact and cannot be overlooked.

This case provides new insights into the understanding of the company's strategy on balancing standardization and localization. Much of the conventional literature has claimed that companies operating overseas are required to balance these two; however, the case of Yama Ramen shows its clear pursuit of unifying Japanese

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<sup>47</sup> Ritzer, G. (eds). (2009). *McDonaldization: The Reader*. CA: Pine Forge Press.



standards and minimizing localization. Observation in the field showed close ties between business and culture where the corporate branding (to recreate an “authentic” shop) was interrelated with or even created the Japanese managers’ ethnocentric ideology. This belief was cultivated naturally and unintentionally, but resulted in discouraging these managers from thinking from the locals’ perspectives. The diversified workforce in Boston has shown the clear conflict between an ethnocentric ideology on the Japanese side and the pursuit of diversity by the locals. It also shows that the more Japanese managers want to realize the “authentic” shop, the less close they are to attaining this goal. This limitation in a business context means less efficiency in managing diverse people through a less efficiency of managing diversified people with a unified management ideology.

Based on these findings, this study offers a few suggestions for future management to companies in similar situations. First, when a company enters the overseas market, it is necessary to keep in mind that ethnocentric ideology can have a negative influence on their operations, and especially on their relationships with local people. Examples from Yama Ramen, Boston show that a strong ethnocentric ideology causes less communication with the locals, and results in poor relationships with them. To avoid this situation, the company could educate their employees to understand the importance of valuing different managerial practices. This sounds fairly easy, but the reality suggests that many expatriates have failed to do so. It would benefit the management to utilize the good aspects of local management practices rather than judging them according to their own cultural values. Second, the company may need to revise its mission to better create an organic environment that values individual differences. It is apparent that a corporate mission such as pursuing “authenticity” or, in other words, a “unified” ideology has underestimated the value of local culture, and this type of behavior will reduce the opportunities to identify the advantages of local practices. Third, balancing institutional control and individual freedoms is the key to determining outcomes. To manage efficiently overseas, the company needs to create a system to control and monitor employees so that they can avoid errors and increase best practices; meanwhile, it is also crucial for the employees to feel a sense of belonging, freedom, and commitment to the company. Organizational culture is a process of negotiating meaning and it is necessary for the company to not only listen to the locals and learn from them, but at the same time, to enhance control when necessary. The underlying principle of achieving this is to understand the negative influence of ethnocentric ideology and its dissemination through management practices.

This study provides a detailed case study to offer a holistic analysis on diversity management, but it would be more valuable if this research could be expanded to shops in other regions to further explore how diversity interrelates with globalization and culture.

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