

Intercultural Business Communication Challenges: A case study of Kaizen Center and Toyota Motor Engineering Egypt in Egypt

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Introduction

As the world continues to globalize, the flow of people, ideas, and money became quicker. Multinational and global projects are established easier, and companies can expand their business beyond national borders easier than before. Working with people from various cultural backgrounds have become more common from which new challenges arise. Diversity in the workplace has many benefits, such as enriching work output and performance by providing different perspectives and opinions. However, it can also be challenging in many ways. The language barrier, different mindsets, work styles, work conditions, systems, and cultural backgrounds are various reasons for different interpretations and expectations in the workplace.

The Toyota Way and Kaizen are regarded as global cultural phenomena as the popularity of Toyota continues to rise. The Japanese automobile giant is famous for incorporating Kaizen into its business practice, making the concept of Kaizen more linked to the business. However, its impact can be seen beyond the business sphere and involves different forms in people's lives.

As opposed to the previous research, this paper focuses on Kaizen and communication in international business from a cultural perspective. This study highlights the communication challenges that emerge from cultural differences when recontextualizing Kaizen in Egypt. The analyses of previous studies and fieldwork investigations were used to monitor and document the current situation in Egypt. This paper is a culture in business research and is a baseline that aims to show how to achieve cross-cultural competence in Toyota Motor Engineering Egypt (TMEE) and Kaizen Center in Egypt. The author used

qualitative methods with a combination of literature analysis of Kaizen, cross-cultural competence research, and analysis of open-ended interviews. The participants were Egyptian and Japanese staff who engage with Kaizen in Egypt. The author interviewed 29 individuals and conducted in-depth, extended narrative interviews representing the main actors in Egyptian-Japanese relations and engaged with Kaizen in Egypt during 2017-2021. The participants were selected to show the general indicators of intercultural business communications challenges between Egyptians and Japanese. Starting with Japan International Cooperation Agency (JICA) and Japan External Trade Organization (JETRO's) Egypt offices and Kaizen Center, the snowball method was used to select the rest of the participants. The sample covered both genders, both nationalities, and high-ranking officials. Participants from different age groups, entities, and positions were also represented (such as administrative, managerial, and government officials) to firmly illustrate the situation in Egypt¹ as shown in table 1.

Table 1. Breakdown of Participants by Organization

Organization	Total	Managerial	Senior	Entry	Male	Female	Egyptian	Japanese
<i>TMEE</i>	5	3	1	1	4	1	4	1
<i>JICA</i>	4	1	1	2	2	2	1	3
<i>JETRO</i>	3	1	2	0	2	1	2	1
<i>KAIZEN</i>	4	2	2	0	3	1	3	1
<i>Toyota JPN</i>	4	1	1	2	2	2	0	4
<i>Toyota Mus.</i>	1	1	0	0	1	0	0	1
<i>MOIC</i>	3	1	1	1	2	1	3	0
<i>EJBC</i>	1	1	0	0	1	0	1	0
<i>ECS</i>	2	2	0	0	2	0	2	0
<i>Ex. JICA</i>	2	1	1	0	2	0	1	1
<i>Total</i>	29	14	9	6	21	8	17	12

Source: Author's fieldwork in Egypt and Japan, 2017-2021

The interview questions included the participants' personal profile, work responsibilities, experience, and insights (the pros and cons) of working with the Japanese, the challenges they face, and how they deal with them based on their long-trusted experience working with the Japanese. The interviews covered the

¹ Some participants requested to omit all their personal and workplace data due to the fear of losing their positions or causing trouble.

following institutions: Kaizen Center, Egypt Commercial Services (ECS), in the Ministry of Foreign Trade and Industry (MTI), Ministry of International Cooperation (MOIC), JICA's Egypt Office, JETRO's Egypt Office, Egypt Japan Business Council (EJBC), Ex-JICA Experts, Toyota Motor Engineering Egypt (TMEE), Toyota Motor Corporation Tokyo Head Office, Toyota Tsusho Corporation Nagoya headquarter, and Toyota Commemorative Museum of Industry and Technology.

Background of the Toyota Way and Kaizen

As Toyota has evolved to an international company with many offices worldwide², the Toyota Way and Kaizen are being re-produced as popular culture beyond Japanese borders and merge into new cultures. These attracted researchers to study Toyota and Kaizen from different perspectives other than business and management systems. These included TPS, TPM, TQM, 5S³ applications inside factories, and product lines. Others such as culture, history, and communication perspectives, which affect people's mindset and communication, were also studied (Toyota Way, Kaizen, Toyota culture, Toyota philosophy).⁴

Inside Japan, Toyota is more than a big name in the business industry and is viewed as a success story. Toyota began as a producer for the textile industry, later turning to the automobile industry in which they contributed to Japan's economic growth. Since the beginning, Toyota has been hands-on in its employees' lives, families, and private activities. Even before supermarkets were popular in Japan, Toyota provided cooperatives for its employees' daily needs.

2 170+ countries and regions around the world, and 67 manufacturing companies. Source: Toyota in the world, <https://www.toyotauk.com/about-toyota/toyota-in-the-world.html>

3 TPS: Toyota Production System. TPM: Total Production Maintenance. TQM: Toyota Quality Control.

5S: *seiri* (整理) , *seiton* (整頓) , *seisō* (清掃) , *seiketsu* (清潔) , and *shitsuke* (躰) , and translated as "sort", "set in order", "shine", "standardize", and "sustain"

4 Difference between Toyota Way and Toyota Culture/Philosophy: Toyota Culture/philosophy includes a set of Toyota's values and principles, and one of its pillars is Toyota Way 2001. According to Toyota Global website, "Toyota was established 28th of August 1937. Their main philosophy is divided into Guiding Principles at Toyota, Toyota Way 2001, The Toyota Code of Conduct, Toyota Global Vision. The main overview of Toyota philosophy is to "Seek Harmony between People, Society and the Global Environment, and Sustainable Development of Society through Manufacturing"

This influenced the life of Toyota City, along with its social and cultural activities, restaurants, local stores, schools' activities, and events were adjusted to Toyota's Calendar. These illustrated the meaning of "Toyotism" and the meaning of living in Toyota's world in Japan.⁵

Expanding beyond borders and specifically into the United States, there was a need to keep a record of the Toyota Way and introduce it to a new environment while ensuring it was followed. This gave birth to the "Toyota Way 2001" when it was introduced to the American staff working for the company. It was not a simple transfer process in which the Toyota Way and culture evolved in a different style than the original Japanese style. A hybrid culture was born, which was not purely American nor Japanese, nonetheless effective at work and produces results.⁶ This showed how the methods and meanings of concepts are taking different routes and forms when they are implemented in new cultures or environments.

Toyota's success became a phenomenon reaching the point that comic books introduce the Toyota Way in order to organize workplaces and houses to improve or "Kaizen" your general performance.⁷ These comics used Toyota's fame and success to attract readers who wanted to obtain Toyota's high-level standards or aim to improve their work and life in general. The non-business Toyota books revealed that Kaizen and 5S are not just systems, but it can also be work orders and steps. Once individuals accept it, it changes their way of thinking, attitude, and perspectives. There were also changes not only in the individual's workplace but also in their personal life and surrounding communities.⁸

On the other hand, the Kaizen concept is one of the most famous concepts in Japanese business culture. It is often linked to Toyota's name, although it is not a Toyota-made concept. Though "Kaizen" as a Japanese word means "Improvement," it was described in different contexts and research areas. From

5 鶴本, 西山, and 松宮, トヨタイズムを生きる—名古屋発カルチュラルスタディーズ. (Kaori Tsurumoto, Tetsuo Nishiyama, and Asahi Matsumiya. Living Toyotism-Cultural Studies from Nagoya. Serika Shobo)

6 Liker, Hoseus, and Organizations, *Toyota Culture*.

7 亀山, 漫画で分かる トヨタの片づけ方. (Kameyama Satoshi. Understanding Toyota's way of organizing "Original" OJT Solutions "Manga")

8 山田 and 大野, 途上国の産業人材育成: SDGs時代の知識と技能. (Yamada Shoko, and Ohno Izumi. Industrial human resource development in developing countries: Knowledge and skills in the SDGs era)

history and social movements' perspectives, Kaizen first appeared in "Life Improvement Movements" or the Japanese term "生活改善運動 – Seikatsu Kaizen Undou." Kaizen started in Japan around the 1930s⁹ when the Japanese government began a campaign to improve the Okinawan's life. The campaign was not technically related to industrial Kaizen, but it was able to improve the Okinawan people's life.¹⁰

The Kaizen concept as we know it in business and industries today was not originally a Japanese-made concept. It was adapted and adjusted to the Japanese management system from the United States as a quality control method in the post WW2 period.¹¹ After customization and modification, the method's name became Kaizen and re-exported again. Masaaki's book "Kaizen: The Key to Japan's competitive success"¹² introduced it in its new form to western culture as a "continuous improvement" practice that involves everyone in the workplace.¹³ Moreover, Brunet defined Kaizen as "pervasive and continual activities, outside the contributor's explicit contractual roles, to identify and achieve outcomes he believes contribute to the organizational goals."¹⁴

Kaizen in International Context

Shimada Go stressed the importance of discussing Kaizen not as a Japanese concept but as a concept related to industrial policy and engineering so it would

9 中村, 近代沖縄と生活改善運動の射程 : 1930年代の事例を中心に. (Nakamura Saki. "Modern Okinawa and the range of the life improvement movement: Focusing on the cases of the 1930s.")

10 Tomiyama's book "Memories of the Battlefield" talks about changes in Okinawan society and points out that the Japanese government has started a "Seikatsu Kaizen/life improvement campaign" in Okinawa during the 1930s. The Gov. began the campaign to improve Okinawan people's lives, and it was involved in every detail of Okinawans' daily life. Starting with the policies taken in Okinawa and extended to Okinawa's language, clothes, habits, etc.

11 Ohno et al., Introducing Kaizen in Africa. In GRIPS Development Forum (Vol. 1, No. 1, Pp. 1-8).

12 Kaizen as defined by Masaaki: "[A] means of continuing improvement in personal life, home life, social life, and working life. In the workplace, Kaizen means continuing improvement involving everyone - managers and workers alike. The kaizen business strategy involves everyone in an organization working together to make improvement without large capital investments."

13 Ibid

14 Brunet and New, Kaizen in Japan: An Empirical Study.

not affect its international dissemination.¹⁵ However, linking Kaizen to Japan can help in promoting it, especially in developing countries. Aside from the corporate support as an approach for Kaizen to extend internationally, Kaizen has another international context in Japan International Cooperation Agency (JICA)'s projects. JICA introduces Kaizen through different technical cooperation projects in developing countries to transfer the Japanese know-how and develop industrial policies. The aim was to introduce Kaizen to improve industrial policies but took a different path in developing countries. Kaizen was applied in the health sector, vocational education, educational systems, and even local government training. Shimada Go also emphasized that when implementing Kaizen, it is essential to consider each case or country's conditions (historical, traditional, and cultural background) to have a successful process.¹⁶

In February 2006, the Productivity and Quality Improvement Center(PQIC) in Egypt, also known as Kaizen Center, officially began its activities. The PQIC was established from the collaboration agreement between the Ministry of Foreign Trade and Industry (MTI) and JICA to share the Japanese know-how. It is one of the technical centers under the technological development sector in Egypt's MTI. The Egyptian MTI established Kaizen Center to strengthen Egyptian factories' quality and production systems in the Egyptian Industrial Modernization Program framework. Their responsibilities include improving the quality culture and activities in the country for both production and services sectors to meet international standards through their services, such as industrial training courses and consultation.¹⁷ During the early stages of preparing the national staff, JICA dispatched long and short-term Japanese-National experts to Egypt while also conducting training courses in Toyota in

15 Till TICAD 2013, when PM ABE Mentioned about Kaizen and its importance, Kaizen was not focused on in the international research area. However, it faced many oppositions within JICA and from WB. The controversy started when the WB stated that it deviates from the Washington Consensus. W.C. states that the government should not intervene in the market and control it through putting policies that direct it. Yet, Kaizen attracted more researcher in/outside Japan, as it is important in managing Human Capital, which affects economic growth. Source: 島田, 特集: 国際開発におけるカイゼン研究の到達点と今後の課題—学際的アプローチからの政策的インプリケーションの検討— (Shimada Go. "Special Feature: Achievements and Future Challenges of Kaizen Research in International Development-Examination of Policy Implications from an Interdisciplinary Approach-.")

16 Ibid

17 Ministry of Foreign Trade and Industry, Kaizen Center's official brochure

Japan to train the Kaizen Center's national team. The staff were able to put into practice what they studied about the Toyota Production System, such as "Just In Time", Kaizen, 5S, Total Quality Control, and many more. Aside from the Kaizen Center project, JICA's Kaizen schemes are also applied in the health sector.¹⁸ Moreover, Egyptian researchers are studying the process of implementing it in governmental departments¹⁹ and in the education sector²⁰ in Egypt.

Kaizen in Egypt Toyota Motor Engineering Egypt (TMEE)

This research focuses on how the Toyota Way and Kaizen are introduced and implemented in Egypt. More specifically, on the country's Kaizen Center and TMEE as they are the pioneers in implementing Kaizen and Toyota Way in Egypt. TMEE is a unique case since they do not have their factory in Egypt. They outsourced the Arab American Vehicle (AAV) factory production line,

18 "In the new Egyptian Constitution which was amended in January 2014, health and welfare have been listed high on the agenda. It has been clearly mentioned in the Constitution that at least 3% of the GDP shall be spent on the health sector. The government has developed a white paper to guide health policy and strategic direction, which states strengthening efforts towards universal health coverage (UHC), expanding health insurance coverage, improving the quality of health services, etc. The Japan International Cooperation Agency (JICA) has supported the health sector in Egypt through projects such as grant aid and technical cooperation projects to the Cairo University Specialized Pediatrics Hospital, a technical cooperation project for nursing management and school health, and grant aid project for procurement of ambulance vehicles. In 2015 to 2016, the Egyptian government requested technical assistance to JICA in quality improvement of healthcare services through 5S-Kaizen-TQM approach, UHC, and improvement of pre-hospital care services. In response to such requests, in December 2015, JICA dispatched a study team for the purpose of gathering background information and analysis, and implementation of pre-pilot activities related to the health sector.". Source: JICA report on Health Sector Cooperation Planning Survey in Arab Republic of Egypt, Final Report, March. 2017.http://open_jicareport.jica.go.jp/pdf/12285292.pdf

19 Ahmed, Requirements for the success of Kaizen Japanese strategy for continuous improvement in government institutions Applying to the telecommunications sector in Egypt

أحمد، متطلبات نجاح استراتيجية كايزن اليابانية للتحسين المستمر في المؤسسات الحكومية بالتطبيق على قطاع الاتصالات في ج.م.ع

20 Elbalshi, Requirements for the application of continuous improvement approach (kaizen) to reform the Egyptian secondary Education

البلشي، لإصلاح متطلبات تطبيق مدخل التحسين المستمر (Kaizen) لإصلاح التعليم الثانوي العام المصري

which is a state-owned factory in a partnership with Americans. The TMEE is also a multicultural workplace, where various work styles, such as private, public, Egyptian, Japanese, and American styles, are used.

The participants from the TMEE gave their insights, and a senior Egyptian participant mentioned that working with the Japanese was beneficial professionally and personally. The Japanese work style that cared about details helped him in different aspects such as time management, organizing files, and good documentation. The participant stated that:

“I learned many things working here. On a personal level, I tend to forget things, and I was working on fixing this. I learned from them how to organize my life and easily memorize the things I need to do. In Toyota, they reorganized my brain. On the professional level: time management; to have all work on excel and matrixes to be more precise... It was impressive to make a daily schedule for a year. To me, that was a miracle.”

However, some challenges were encountered due to miscommunication and lack of understanding of each other's traditions and cultural backgrounds. In Toyota Japan, the author observed that the participants had stronger feelings of belonging and pride to be part of Toyota, contributing to Japan's economic progress. Thus, they are proud and thankful to be part of Toyota. A participant mentioned that:

“I think the best change was in my personality. Learning Toyota's culture and working in Toyota every day gives me confidence...Toyota had a sense of national duty, and after I joined it, I felt I contributed to the national economy. All employees have the mind of national duty. It gives you the motive and makes you feel you are part of something big and feel proud.”

On the other hand, in the TMEE, the Egyptian staff did not have a strong feeling of belonging, in addition to the distrust of their Japanese managers. One reason was they didn't have the same training as their Japanese peers in Japan, in which a TMEE's Egyptian participant expressed that *“they do not invest in us”*. Another reason, as stated by an Egyptian manager is about *“not listening to them and looking down on them”*. The participant compared them to

Germans based on his previous work experience:

“Germans are more open-minded. They let you add if they can see it will improve the results. Japanese, no; they don’t allow it. They have a specific role model they must follow... Germans don’t have a limit in communication. They give you all the information you need and teach you. Japanese don’t always provide the information. Sometimes they tell you this is enough for you to do the work...Japanese are a bit arrogant, look down on you, “we understand better, or whatever you did, we are here to give you work and supervise you, and our brand is all over the world, and it is the best.”

An extreme case of miscommunication problems in the TMEE concerns a senior Japanese Engineer’s attitude in the TMEE, which caused crucial problems among the TMEE, AAV, and local suppliers in Egypt. All local suppliers submitted an official claim to the Cars’ Manufacturing’s Union in Egypt against the senior Japanese engineer, who was also unprofessional and disrespectful according to Egyptian standards. Because of this, Toyota’s Japan headquarters decided to recall the engineer back to Japan as cited by the TMEE’s senior engineer participant. The participant further stressed:

“He was always shouting and angry. Always saying “crazy, Baka.” Not only with us (TMEE) but with the managers of AAV as well...He had a bad attitude with everyone, even with local suppliers. They even submitted an official claim/complaint to the Cars’ Manufacturing’s Union in Egypt, and they sent him a strict warning. Most probably, this had a direct link to remove him from TMEE.”

Two more Egyptian managers left work for TMEE and moved to other German companies in Egypt. Although in the TMEE, the Egyptian team-members appreciated working for Toyota, admired many features in the Japanese work style, and acknowledged the various lessons they learned from the Japanese team. However, they did not have a strong feeling of belonging compared to Toyota Japan team. There were different reasons that TMEE’s members mentioned. Mostly it was not related to the system but related to

communication.

Eighteen percent of the participants feels that the Japanese management doesn't trust them or appreciate them (figure 1). They also faced problems in terms of communication and instruction (18%). This can be because of the language barrier or vague explanations by the Japanese team. The lack of flexibility and adaptation to the surroundings from the Japanese side also caused problems for the Egyptians (23%). The participants further mentioned that the Japanese work style does not respect their personal life, which they also mentioned that communication and attitude were easier with the Germans. This scenario prompted them to consider leaving Toyota when a better opportunity arises.

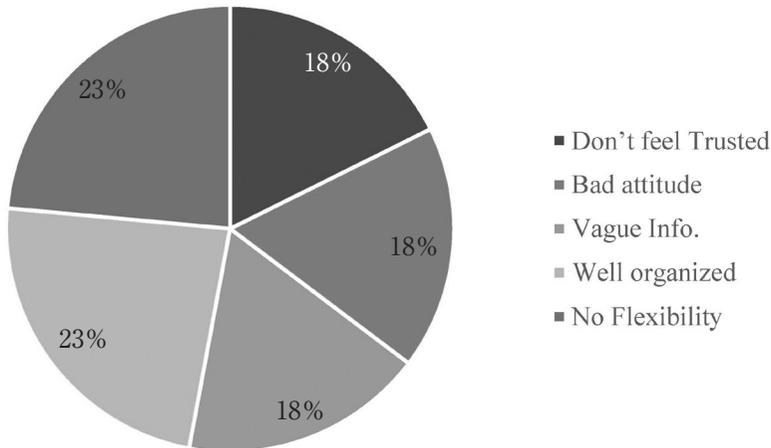


Figure 1. TMEE's comments percentage among Egyptian participants

Source: Author's fieldwork investigation, in TMEE, AAV's Factory, Cairo, Egypt 2017-2020

Kaizen Center and JICA

In Egypt's JICA office and Kaizen Center, Egyptians, and Japanese work together but their understanding and way of practicing Toyota Way and Kaizen were different. A Japanese senior staff from JICA strongly believed that the Egyptians' and Japanese' historical and geographical backgrounds affect their culture, way of thinking, and performance. Such a core difference between the two nations appears in some characteristics. For instance, Japanese people are procedures-oriented and very systematic, while Egyptians are results-oriented

and more flexible. The Japanese tend to use fewer explanations, and an Egyptian tend to add many details. The staff further stated that:

“Geographically speaking, we are entirely different in the far east, on an isolated island, but Egypt is in the Center of Africa, Europe, and Asia. And history also is different. Egypt’s history is dynamic people come and go, but in Japan’s history is relatively calmer. This different environment. Japanese generally like to plan, but we were trying to do the best on the plan we made you know previously. Still, Egyptian people, of course, understand the importance of the plan, but there are always changes. Something happens from the outside. So, they cannot stick to the plan. My impression is that Egyptian people are more flexible in dealing with sudden changes, which is one of the big differences.”

The opinion above is explained academically and is known as Edward T. Hall’s high context and low context culture model. Edward T. Hall’s concept of high context cultures (HCC) people don’t need direct verbal communication and depend on understanding what is between the lines through the context. On the other hand, low context cultures (LCC) having clear verbal communication and detailed information are essential.²¹ Conversely, Edward T. Hall set Japanese and Arab cultures as high context cultures (Table 2), leaving the assumption that communication might be more accessible among them though the Egyptians and Japanese’ communication are not going without challenges.

21 Hall, *Beyond Culture*.

Table 2. HCC and LCC' s differences according to Hall' s Model

<i>Aspects</i>	<i>HCC</i>	<i>LCC</i>
<i>Context</i>	Explicit communication	Implicit communication
<i>Information flow</i>	Easy information flow	Hard access to information
<i>Relations (social and professional network)</i>	Strong connection. Long term	Shallow/weak connection. short term
<i>Time system</i>	Polychronic (P-Time) ²²	Monochronic (M-Time) ²³
<i>Spatial/personal space public and workplace</i>	High density/closeness accepted	It can be irritating in public
<i>Order/rank/hierarchy Sound</i>	Strict/highly respected	Flexible/Can be skipped
<i>Work ethics/loyalty/sense of belonging</i>	Very strong	Flexible and open
<i>Workflow</i>	Process-oriented	Result-oriented
<i>Examples</i>	Japanese, Arab, Mediterranean	Americans, Germans, Swiss, Scandinavians, and other northern Europeans

Source: E.T. Hall

A Japanese staff from JICA's office in Egypt, who is in charge of Kaizen's projects in the health sector, believed that even with cultural and mindset differences, which may cause some resistance, they could still achieve significant results if the management is solid, cooperative, and committed. In Tanta Public Hospital, the management applied 5S and Kaizen project and turned Kaizen to be the culture of the whole workplace. The staff mentioned:

“In the health sector, there was resistance from the doctors and nurses because they were already busy with daily work and didn't want to have additional work...but they changed their mind after they saw the improvement and the results...As I said, JICA has tried applying Kaizen in many countries in Asia and Africa. Still, actually the best excellent practice we saw in such a short time was Tanta hospital. Even compared to other countries in Asia and Africa, Tanta is really surprisingly achieving great success... It worked because of the director, the hospital's head. In the beginning, it was because of his commitment. But now, 5S is the culture of the hospital. Even if he leaves, maybe it will remain”

22 “P-Time: being involved in many things at once” Hall and Hall, *Hidden Differences*.

23 “M-Time: Paying attention and doing only one thing at time” Ibid

Even though Opinions differ in JICA's Egypt office, they followed the same approach in introducing Kaizen and Toyota Way to improve or develop the quality of work or service. In some projects, it evolves to be a culture. Although Kaizen's primary approach is a "bottom-up approach" that gives the workers more ownership and responsibility²⁴, the Top-down approach might be more effective in developing countries as it is challenging to find a system that provides all necessary information and data circulated. Thus, government and managers must take serious measures.²⁵ On the other hand, at the Kaizen Center in Egypt's MTI, the way they understand, and practiced Kaizen evolved remarkably. After establishing Kaizen Center in 2006, the center became a hub to spread Kaizen's culture in various industrial and business consultation sectors within Egypt and among African countries (figure 2). Not only that the Kaizen Center staff applied Kaizen and other Toyota systems as policies or tools to develop the industrial field, but they also educated workers and changed their way of thinking. A Kaizen Center senior Egyptian staff mentioned:

“Even the word Kaizen that we are using is not technical as much it is related to the way you think and change the mindset. For example, the 5S; is like cleaning your apartment, getting rid of things you don't use, organizing the place, and doing this every day as a habit. You have to follow a specific cleaning routine and maintenance schedule to keep the machine in good condition at work. We are supposed to reach each level step by step, and then it becomes a lifestyle.”

Two points were unique about the Kaizen Center: First, it evolved to be a center that teaches Kaizen as a way of thinking to change workers' mindset, and not only the system and actions, which they believe will positively impact their performance. Second, the Kaizen Center's staff stressed the core concept of Kaizen as “an accumulative continuous development,” as Kaizen's Center

24 島田, “特集: 国際開発におけるカイゼン研究の到達点と 今後の課題 —学際的アプローチからの政策的インプリケーションの検討—. (Shimada Go. “Special Feature: Achievements and Future Challenges of Kaizen Research in International Development-Examination of Policy Implications from an Interdisciplinary Approach-.”)

25 山田 and 大野, *途上国の産業人材育成: SDGs時代の知識と技能*. (Yamada Shoko, and Ohno Izumi. Industrial human resource development in developing countries: Knowledge and skills in the SDGs era.)

Egyptian engineer expressed it. They believed it was a way of thinking and a philosophy of life.

The Kaizen Center designs training courses, make assessments, and evaluate factories and universities as part of their consultation to the public and private sectors. JICA has strict rules to cooperate mostly with government sectors, and not with the private sector. Since the Kaizen Center works with both private and government sectors as part of Egypt's MTI, this makes the center more flexible in changing or adjusting their materials for each industry separately (figure 2).



Figure 2. The Kaizen Center's Activities and Services

Source: Kaizen Center's Press release presentation. Author's collected data in fieldwork, MTI, Cairo, Egypt 2020

Importance of Adaptation and Customization of Kaizen

The adaptation and customization of Kaizen, Japanese systems, and concepts by Egypt's Kaizen Center made it easier to disseminate the Japanese know-how and make it more acceptable by Egyptian individuals and organizations. The Kaizen Center is considered a realistic example of how the Kaizen concept globalized and evolved during the transition process. They modified or "Egyptianized" the Japanese ways and re-created them to be more acceptable and compatible with the Egyptians' needs, conditions, traditions, and mindset. These elements must be considered when taking business or concepts into new environments. Otherwise, resistance and opposition might interfere with workflow and cause failure. As Johnson²⁶ argued, this is common in similar

cases, where there is a lack of cross-cultural competence and when team members or counterparts cannot effectively interact in another culture.

In some cases, the headquarters' attempts to enforce their ways on local staff and overseas managers while ignoring the local culture's different circumstances and events may result to failure. Achieving cross-cultural competence, well knowledge, comprehensive understanding, and good communication are necessary to be acknowledged in international business. The lack of cross-cultural competence and how it affects the communication and mutual understanding between overseas managers and local partners impacts business and investments. Moreover, it can cause "loss of opportunities, reduced productivity, damaged relations".²⁷

According to Johnson, Lenartowicz, and Apud²⁸, there are three factors that are essential to achieve cross-cultural competence. These are "attitude, skills, and knowledge". All three are paramount factors to achieve cross-cultural competence that can be learned quickly through Cross-Cultural Training (CCT).²⁹ This was reflected on other research about Kaizen's which emphasizes the inclusion of local circumstances and culture when working on international cooperation projects. These grant effective results and sustainable development.

In a study about Kaizen in Ethiopia by Koume³⁰, when JICA introduced Kaizen, the Ethiopian government entirely adopted it, and the collaboration didn't end in developing industrial policy only. The Ethiopian side applied Kaizen in the health sector, vocational training, preschool, school education system, and graduate schools. They embedded Kaizen into the people's mindset. Thus, the impact expanded to people's life and social communities and didn't stop at work performance and economic indicators.³¹

26 Johnson, Lenartowicz, and Apud, "Cross-Cultural Competence in International Business: Toward a Definition and a Model," 2006.

27 Storti, "The Art of Crossing Borders."

28 Johnson, Lenartowicz, and Apud, "Cross-Cultural Competence in International Business: Toward a Definition and a Model," 2006.

29 Black and Mendenhall defined CCT as cited by Johnson, Lenartowicz, and Apud "Cross-cultural training enables the individual to learn both the workplace diversity literature in content and skills that will facilitate effective cross-cultural interaction by reducing misunderstandings and inappropriate behaviors."

30 山田 and 大野, *途上国の産業人材育成: SDGs時代の知識と技能*. (Yamada Shoko, and Ohno Izumi. Industrial human resource development in developing countries: Knowledge and skills in the SDGs era.)

31 Ibid

In Egypt's case, the leading players in the Egyptian-Japanese relations mentioned that they faced challenges in communication with their counterparts or team members (94% Egyptians and 83% Japanese). The more experiences the participants had working with Japanese or Egyptians, the more they understood the cultural differences and dealt with them. However, there are no records documenting these communication challenges patterns among Egyptians and Japanese. That is why new members take more time to grasp it, especially on the Egyptian side. And time, effort, and opportunities are wasted during the trials and errors process as there is no cultural map or guideline.

Conclusion and further research suggestions:

This paper illustrated the forms of Kaizen application areas in Egypt and the kind of cultural and communication challenges that Egyptian staff encountered during the dissemination of Kaizen and Toyota Way in Kaizen Center and TMEE in Egypt. There were interesting differences and unexpected similarities. The research points to four key findings: First, there is a growing interest in Kaizen among researchers and the Egyptian government in Egypt. Egyptian researchers see it as a flexible concept to develop in different sectors such as education, health, management, and the industry sectors. However, some challenges slow the processes and put Egypt behind other countries, even though the country pioneered Kaizen in Africa. These challenges are divided into system-related and communication/culture-related challenges.

Regarding the system, Egypt is a developing country that faces various challenges, either internally struggling with corruption³² or with conflicts on its borders. That impacts the disclosure of any information for the public and the government's sensitivity. As mentioned by a high Egyptian official in MTI, "*It is the intelligence's complex. (Intelligence Agency's complex) no one should know anything about us.*" The political situation and revolutions also frequently cause sudden changes in circumstances, laws, regulations, and procedures, which don't help establish a solid documentation system. Regarding communication, the language barrier serves as a problem as both sides use mainly English to communicate, which is not the native language of both nationalities. The non-

32 Corruption Perceptions Index- Egypt's 2020 Rank:117/180 and its 2020 Source: 33/100
Source <https://www.transparency.org/en/countries/egypt> Access May 21st, 2021

verbal communication challenges related to the lack of cross-cultural competence also impacted the work environment and caused losses in the workplace worse than the system's obstacles.

Second, communication isn't necessarily more accessible among HCC's people, as shown in Egypt and Japan's case. Both tend to interpret the speech and try to find the meaning behind spoken words, which may cause more misunderstanding. Moreover, most Egyptian participants' comments on Japanese were similar to LCC's opinions on Japanese (vague and not clear).

Third, it is essential to have solid record-keeping and documentation for international business and projects, especially to solve communication-related challenges. It is crucial to have a guideline that works as a cultural map to guide people and reduce miscommunication as stepping on some cultural taboos proved to cause losses in business, opportunities, and relations.

Fourth, in a developing country like Egypt, the top-down approach is more effective. Thus, the Egyptian government needs to take collective action and include all related parties in a joint project. To get more accurate indicators on the situation in Egypt, the project should include Egyptian and Japanese governments, business councils, Public-Private-Partnership (PPP), and opinions on different projects.

Business people who work with other cultures should be knowledgeable about their counterpart's culture and surrounding conditions. This knowledge will grant them better mutual understanding, respect, and good communication. This highlights the importance of including the local cultures and contextualizing them in future business operations and management research. Monitoring and documenting how business culture expands will facilitate the work process and promote international cooperation. Such serious endeavors will positively impact projects' output, sustainability, and even local societies. In addition, it will raise awareness, facilitate better communication in business and international cooperation, and achieve significant results.

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Abstract

Intercultural Business Communication Challenges: A case study of Kaizen Center and Toyota Motor Engineering Egypt in Egypt

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As the world continues to globalize, the flow of people, ideas, and money comes quickly - and multinational and global companies are established easier. Working with people from various backgrounds has become more common yet can be challenging due to differences in cultural backgrounds, traditions, systems, and work styles. Investigating Toyota Motor Engineering Egypt (TMEE) and Kaizen Center in Egypt showed some core differences in working styles, cultures, and communication. The lack of understanding of those differences and miscommunication has negatively affected the workflow and work environment in some cases.

Unlike previous research which studied Kaizen from an industrial perspective, this paper focuses on Kaizen and communication in international business from a cultural perspective, specifically on the Kaizen Center and TMEE. Tracking the challenges and clarifying the cultural differences explains the communication challenges and patterns that emerge when recontextualizing Kaizen in Egypt. This paper is a baseline research that aims to show how to achieve cross-cultural competence in TMEE and Kaizen Center in Egypt.

The paper consists of a combination of literature analysis on Kaizen, cross-cultural competence, and international business communication-related research. On the other hand, the primary data was drawn from qualitative open-ended interviews conducted with Egyptian and Japanese participants who are engaged with Kaizen in Egypt.

This paper illustrated the forms of Kaizen applications in Egypt as well as the cultural and communication challenges during the dissemination of Kaizen and Toyota Way in Kaizen Center and TMEE in Egypt. The study discovered

both interesting differences and unexpected similarities. There were four key findings: first, there is a growing interest about Kaizen among researchers and the government in Egypt. Egyptian researchers see it as a flexible concept to develop in different sectors such as education, health, management, and industry. Second, some challenges slow the processes and put Egypt behind other countries though the country pioneered Kaizen in Africa. Those challenges are divided into system-related and communication or culture-related challenges. Third, it is essential to have a solid record-keeping and documentation for international businesses and projects to tackle communication-related challenges. These can guide people and reduce miscommunication and stepping on some cultural taboos prove to cause losses in business, opportunities, and relations. Fourth, in a developing country like Egypt, the top-down approach is more effective. Thus, the Egyptian government needs to take collective action and include all related parties in a joint project. To get more accurate indicators on the situation in Egypt, the project should consist of representatives from the Egyptian and Japanese governments, business councils, Public-Private-Partnership (PPP), and opinions on different projects.

Keywords: intercultural business communication, cultures interaction, Kaizen, cross-cultural competence, JICA, business cultures.

