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UNIVERSITY OF CALIFORNIA

Los Angeles

Supporting Success-- Foreign Language Skills for Business Education:

Modeling the Japanese Language Competencies of Americans and

other English Native Speakers Engaged in Business in Japan

A dissertation submitted in partial satisfaction of the

requirements for degree Doctor of Philosophy

in Education

by

Alan Carter Covell

1995

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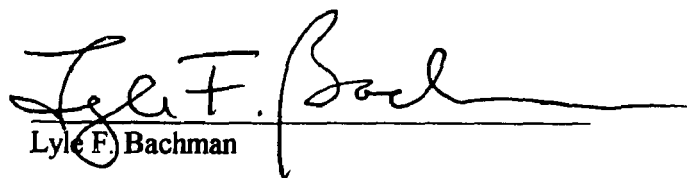
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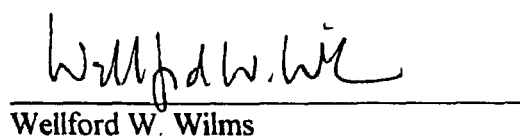
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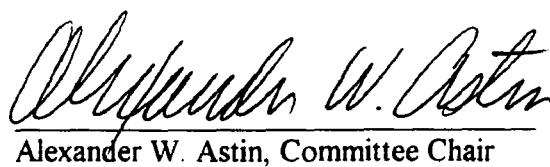
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The dissertation of Alan Carter Covell is approved.


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DEDICATION

This work is dedicated first and foremost to my wife, who ten years ago believed I had it in me. She gave up her tenure and a university department chair to come to the U.S. and start over. For five years she has critiqued drafts, provided insight and put up with the difficulties of living apart at the wrong end of a 1,000 mile commute. She is a living example of how cultures as different as Korean and American can live in harmony if both are willing to sacrifice to the relationship, acknowledge and use the best of what each has to offer. She has given me strength when I faltered and faith when I had none. This one's for you Kyu Jong, my Serene Star. Now, it's your turn.

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ABSTRACT OF THE DISSERTATION

Supporting Success--Foreign Language Skills for Business Education:

Modeling the Japanese Language Competencies of Americans and
other English Native Speakers Engaged in Business in Japan

by

Alan Carter Covell

Doctor of Philosophy in Education

University of California, Los Angeles, 1995

Professor Alexander W. Astin, Chair

The research question, “Which language competence, organizational or pragmatic, within the Bachman [language] Model is most useful to AENS businessmen in Japan?” examined types of language competence as they apply to the current foreign language teaching paradigm in higher education. What relative roles do these language competencies have in promoting business success? Few MBA programs require foreign language skills for graduation--are language skills a necessity? The results of this research, testing competing paradigms of language competence and their roles in business success, demonstrate that language competence does promote success for American and other English Native Speakers in Japan.

This study supports the hypothesis that Pragmatic Competence, the skills that dictate when speech is culturally correct, and Organizational Competence, the skills that dictate when speech is grammatically correct, play equal roles in General Language

Competence. General Language Competence is a strong presence predicting “Personal Success” in Japan. Neither General Competence nor the specific Organizational and Pragmatic competencies exhibited significant direct effects on “Company Success,” but all showed strong indirect relationships to “Overall Success in Japan,” a higher-order combination of Personal and Company Success. These results indicate that those who do have appreciable skill in Japanese, cultural, as well as grammatical, find it supportive of Personal Success and through Personal Success their Company Success. This partially supported claims in the literature, which put forth the need for cultural understanding as paramount. Further studies are needed to better understand the separate cultural and grammatical aspects of Japanese as they relate to the speakers’ personal characteristics; how do these skills help certain types of nonnative speakers in their pursuit of business success in Japan, or in countries with other “truly foreign languages”?

It appears that business education for both men and women should spend more time considering foreign language courses focused on Pragmatic skills, learning the cultural proprieties of doing business in Japan. This will require reexamining humanities-oriented paradigms forming the basis of the majority of foreign language learning in higher education, which have since time immemorial focused on Organizational Competence, practicing grammar as the primary way to teach modern language skills. Higher education in general needs to reconsider its liberal arts paradigm for the study of modern languages, accommodating both humanist and vocationalist purposes within the academy.

CHAPTER 1

Introduction

Background of Study

Foreign languages have formed an integral part of the curriculum in America's higher education programs since Harvard was founded in 1636. The traditional teaching methodology in college became rote memorization and grammar-translation. For example, translating Latin or Greek text into English and vice-versa. As stated in the 1828 Yale Report (Goodchild & Wechsler, 1989), modern languages were traditionally studied for refinement, part of the ". . . *discipline and furniture* of the mind" (p.172).

The possibility of communicative teaching methods apparently did not occur to faculty at American universities until the early part of the 20th century. The styles most prevalent in the beginning of the 20th century were grammar-translation (still used in many parts of Asia) for reading literature and the direct method (which later became the audio-lingual method) that focused on verbatim repetition (van Els et al, 1984). Sweet and Jespersen attempted to focus on language used for day-to-day communication, but this apparently had little effect on the discipline as a whole. The "Modern Foreign Language Study" carried out from 1924 to 1927 by the U.S. and Canada stated flatly that the goal of foreign language learning was primarily reading (van Els et al, 1984). However, in 1937 George Kennedy of Yale University persuaded the American Council of Learned Societies to finance two unusual summer sessions at the University of Michigan, during which he used alternative methods to teach Chinese. Kennedy's teaching methodology departed radically from the norm by using authentic materials (e.g., daily newspapers) and task-

based learning routines (e.g., ordering meals in Chinese) instead of textbooks. Kennedy wanted to demonstrate that learning Chinese this way could be fun and exciting while improving retention. Most of the 1937 class returned for the second summer, discovering they had not forgotten as much as expected. Unfortunately Professor Kennedy died shortly after the bombing of Pearl Harbor and his approach did not gain wide acceptance. Foreign language continued as part of the college curriculum; however, the emphasis remained on grammatical, not pragmatic learning strategies.

Before 1970, the potential benefits of foreign language skills in business remained unrecognized at most higher education institutions. This continued despite Robert Lado's (1961) call for needed changes:

In previous centuries, it was reasonable and proper to study languages exclusively for the purpose of reading their literatures. The jet airliner that spans the ocean in a matter of hours and flies regularly over the North Pole, radio, television, and the telephone, safer and more comfortable ships, trains and automobiles have multiplied travel and international communication a thousand-fold and have made the study of languages for basic communication with native speakers a mark of the twentieth century. (p. 1)

Today American business can no longer rely on two oceans to protect its domestic markets from foreign competition, any more than these oceans can shield America from nuclear missiles. For success in international markets, the 21st century's world economy encourages a working knowledge of foreign languages, coupled in particular with a high tolerance for other cultural norms. The co-founder of the world's largest executive search

corporation stated, "To meet these challenges, we need a new generation of internationally oriented business leaders, preferably with foreign job experience, foreign-language proficiency, and familiarity with cultures other than our own" (Korn, 1988, pp. 103-104).

Purpose of the Study

This study focuses on determining what model of foreign language skills can usefully serve those American and other Native English Speakers (AENS) who wish to make a career of international business in regions or industries dominated by speakers of Japanese. At the present time, if America's monolingual native speakers wish to study language to be successful in business, the area of study concentration and the types of language skills to be learned remain poorly defined (California Postsecondary Education Commission, 1989). Moreover, the core requirements in business education, such as finance, planning, marketing, and management, often leave little time for foreign language classes. Of further concern is the evidence that language skills are not high on the list of corporate priorities in American business.

The traditional approach to learning or testing foreign language skills has been to use the Skills and Components Model, codified principally by Lado (1961) and Carroll (1961, 1968). This model separated the constituent parts of language into skills (e.g., speaking, reading) and subsets of each skill called components (e.g., grammar, vocabulary). According to Schaefer (1990), former Executive Director of the Modern Language Association, foreign language learning in higher education has been dominated by literature departments with goals focused on literary and not pragmatic skills. Scant attention was given to how much language survived for later use.

The response of college students to this state of affairs indicates that language learning is unpopular. Foreign languages were required at nearly all American universities until the 1960s; since then, the number has declined steadily so that now fewer than half require foreign language for graduation. In the Higher Education Research Institute's 1985-1989 sample of college students, more than half of the 25,000 respondents took no foreign language courses in college. The declared undergraduate business majors in 1985 took significantly fewer foreign language courses in college than did students in other majors; only students in engineering took fewer courses (Covell, 1993).

An alternative approach to defining foreign language skills, the Communicative Language Ability Model, has been advanced by Bachman (1990) as a refinement of a model of communicative competence first introduced by Canale and Swain (1980). One large study of a similar model, conducted by the Ontario Institute for Studies in Education (Harley, Cummins, & Merrill, 1987), produced equivocal results. However, it did provide some support for a holistic construct of language skills with three distinct competencies, with language competence further separated into grammatical and sociolinguistic components. Bachman and Palmer's (1989) study provided further support for the model's construct validity. Bachman's (1990) model consists of three major components: language competence, strategic competence, and psychophysiological mechanisms. All of these superdomains are dependent on the individual's knowledge schemata, operating within a given situational context. Language competence is characterized as organizational (knowing when an utterance is grammatically correct, by the proper combination of morphology, syntax, and phonological rules) and pragmatic (which

includes knowing what appropriate lexical structures to use in a particular language task/context). Pragmatic competence also reveals the degree of the speaker's sensitivity to and tolerance of the target language cultural forms. Bachman's current model is still largely untested on populations other than speakers of English as a Second Language.

Research Question

This study assesses a model of foreign language skills for use in American business education. Some American businesses do succeed in Japan and certain linguistic/behavioral factors can be hypothesized to contribute to success or failure. These may be revealed by assessing the successful businessmen's language skills and the contributions of linguistic factors to business success, both on a personal and company level. The following research question guided this study:

1. Which language competence, organizational or pragmatic, within the Bachman Model is most useful to AENS businessmen in Japan ?

Addressing this research question may help to specify a model for foreign language skill development and use that can be employed in American business education to help increase the success of American business ventures in Japan.

Significance of the Study

There are both theoretically and practically significant aspects to this study. The theoretical implications are two-fold. First, this study provides further testing of the construct validity of Bachman's Model, in this case for AENS learning Japanese . Second, it permits important domains and components within the model to be measured for strength of effect on business success. This study could have potential multiple effects if a

viable alternative model of Communicative Language Ability can be identified for language teaching. First, it will contribute to the literature on foreign language education while providing a source for further investigation and refinement of the Bachman Model. This includes possible applications for refining vocation-specific paradigms of foreign language skills for other disciplines in higher education. Second, specifying an alternative model should support the efforts for reform in the foreign language teaching methodology currently used in higher education. Third, the study may provide new ways to develop positive learning attitudes so that foreign language acquisition is a pleasant rather than grim task. Fourth, American businesses may enjoy more success in Japan if improved language acquisition and application can occur as a result of the alternative model's utilization. Lastly, the improved cultural awareness of American businessmen with usable Asian language skills could help increase Americans' understanding of Asian cultures in general and help bury extant "Yellow Peril" stereotypes; exposure to language learning has promise for increasing cultural sensitivity and racial tolerance without being open to charges of politically correct education (Covell, 1993).

Summary

Traditional foreign language education is only marginally effective in preparing American business students for the transnational economy that rules today; usable foreign language skills may help further American business success in difficult markets like Japan. Also, language skills with practical applications in later life may attract more students than a traditional mandatory language requirement. This study focuses on determining foreign language skill needs for American businessmen in Japanese by examining existing skills

and seeks to identify a model of language competence that supports business success.

This study's theoretical and practical significance can support research in language learning and help develop foreign language education methodology. It may also help American business gain access in areas now restricted due to lack of usable foreign language skills. This could result in the quicker realization of an American economy more fully integrated with Asia as well as Europe in the global economic village; this totally interdependent economy will eventually be realized through vehicles such as the General Agreement on Trade and Tariffs and similar economic linkages.

Organization of the Study

This chapter has presented the background, purpose, research question, and the significance of this study. Chapter 2 provides a review of literature on the current state of foreign language education, skill definitions, and the differences between the communicative styles of Americans and Japanese. It also includes a review of literature on modeling language competence and the conceptual framework for model testing. Chapter 3 presents the research methodology, including the sample, variables, and method of analysis. Chapter 4 presents the descriptive statistics, and an overview of how to interpret factor models and discusses the resultant models of language competence. Chapter 5 presents the summary, conclusions, and suggestions for further research.

CHAPTER 2

Review of Literature and Conceptual Framework

Introduction

This chapter begins with a rationale for the study. It is followed by a section on American academia's viewpoints on the need for students to acquire better foreign language skills. The next section presents the American business community's perceptions of foreign language needs. The succeeding section investigates the need for a cultural perspective on the language differences between the speakers of English and Japanese. The conceptual framework presents a review of the research and methodological approaches supporting the theoretical model used to assess language skills for AENS who engage in business in Japan. This chapter concludes with a summary of the literature.

Rationale. America has reached an almost insupportable export deficit with her Asian Pacific trading partners. In 1994, the shortfall with Japan alone approached \$100 billion. The *yen* traded for 360 to the dollar in 1965; as of this writing (April, 1995) it has reached a new low of 80 to the dollar. Japanese corporate holdings include Nomura Securities, the world's largest securities firm, as well as Nippon Telephone and Telegraph, the world's largest communication corporation (Burstein, 1988; Morgan & Morgan, 1987). At present, American firms in the Asian Pacific Rim seldom compete successfully with Japanese, either on their native soil or in other parts of this region. Part of this lack of American business success can probably be attributed to poor foreign language skills and cultural attitudes. According to Christopher (1986), American executives seldom learn the local language and often restrict themselves to foreigner's ghettos such as the

local correspondent's clubs. When their business succeeds, it is in spite of, rather than because of, their actions. On the other hand, some negotiations fail due to AENS whose command of cultural and social skills don't measure up to their grammar and vocabulary (B. De Mente, personal communication, February 2, 1994). Past conventional wisdom, that English is the *lingua franca* of international trade, has led American businesses and educators to believe that foreign language skills are not required for success in the corporate sector. However, a significant counter-argument to this monolingualist viewpoint exists, as stated in the *Economist* (1991):

In these days of frightful economic commercial rivalry, it is what the customer says that counts. You make your sales-pitch in English. The buyers discuss it politely in Korean. 'This guy is sleep-walking: let's take him to the cleaners,' they murmur while you beam at them encouragingly. (p. 16)

Many applied linguists have written that cognizance of social-cultural rules for language is a better vehicle for understanding and communication than grammatically correct but culturally improper speech. According to Yoko Pusuvat, Chair of Asian Languages at California State University-Long Beach, when a native of Japan is speaking correct English, the meanings aren't necessarily what the AENS perceives. This results from ideas filtered through Japanese cultural expectations before being expressed in words (personal communication, September 16, 1993). Despite the present need, few signs point to changes in educational or corporate policies. According to the *Petersen's Guide to Graduate Programs in Business, Education, Health, and Law 1994* (1994), of the 125

institutions offering the International Master's of Business Administration Degree, only 16 require any foreign language courses or competence for degree completion.

Foreign Language Skills in American Academe

Differing viewpoints of competence. Campbell (1991), in his curricular guide for the language portion of the International MBA program at UCLA's Anderson Graduate School of Management, stressed the need for language skills in "social-cultural behavior" as well as grammatical skills (p. 39). This contrasts with traditional ideas about foreign language learning outcomes, that stresses grammatical skills for literary studies.

According to Schaefer (1990), a confrontation is underway between those in favor of the traditional rationale for foreign language learning and those supporting its internationalist justification. The former group, having taught primarily European languages, focuses heavily on teaching literature. The latter group is mindful of pragmatic language skills' possible impacts on a student's future economic opportunities. Lambert (1986), former Director of the National Foreign Language Resource Center, stated "No one seems concerned about how much of early FL [foreign language] training survives to be available for adult use" (pp. 9-10).

Schaefer's proposed solution for improving foreign language learning in higher education is to give responsibility for the course content definitions and methodological approaches to applied linguists. He further states that humanities-oriented faculty are generally against this move, "For the truth is that colleges and university departments in which foreign languages are taught and in which language teachers are trained are at heart

literature departments, dominated by those whose primary interests are in great books, not great walls . . .” (p. 78).

Current paradigms of foreign language skill. The traditional paradigm of language-as-literature generally prevails in American academe (Heller, 1983). According to Robert Martin, Assistant Dean of Humanities, while UCLA is beginning to focus more on pragmatic outcomes in foreign language learning, UC-Berkeley still gives primacy to literature, downgrading pragmatics (personal communication, April, 1992). Higgs and Clifford (1981) provide a detailed critique on the advantages/disadvantages of a pragmatic as opposed to grammatical approach to foreign language learning. They emphasize the shortcomings of a pragmatic approach for teaching, concluding that this leads to low-level skill fossilization. They believe that those who later wished to exceed that fossilized level would be less likely to do so.

In contrast, Sollenberger (1978), one of the original developers of the Foreign Service Institute test, states that technical skill with grammar or other skill components can be quite distinct from communicative ability:

The person's so-called language proficiency, while it may have been quite accurate in terms of technical skill, did not mean effectiveness in communication. In some cases, it may have enabled the person to misrepresent or foul up more effectively. . . . On the other hand, I know people who butcher the language, whose accents are atrocious, and whose vocabularies are limited. For these reasons, we give them low proficiency ratings. Yet, for some reason, some of them are effective communicators. (p. 8)

Sollenberger's statement supports the contention that technical skill alone is not an adequate predictor of useful foreign language skills in a given context. However, the traditional academic paradigm of foreign language skills has remained basically unchanged for centuries and its potential contributions to success in foreign markets have not captured much interest in the top echelons of American business.

The need for change in the model of foreign language skills used in higher education for business applications is not a recent discovery. According to Parker (1957):

‘The problem of language and correct idiom in advertising and other forms of communication will remain a factor in world trade. Underestimation of its importance, by American business management, cannot fail to obstruct the potential development of expansion in world markets.’ (Self-quote from the *Export Trade and Shipper*, 1956.) . . . Thus far American colleges and schools have done little or nothing to directly help American business meet this growing need for language proficiency. (p. 83)

The implications of the need for foreign language competence have historically been largely ignored by American academe and business.

Foreign Language Skills in American Business

Current lack of foreign language competence. According to the Rand Corporation Report (Berryman, Langer, Pincus, & Solomon, 1979), foreign language skills placed at the bottom as a priority for business in general. A report on CEOs for multinationals by Korn/Ferry International and the Columbia University Graduate School of Business (1989) indicated that foreign language skills were rated as “very important” by 90% of

Japanese respondents but only by 12% of American ones (p. 47). Fixman (1990) interviewed a number of American overseas executives to determine how they ranked foreign language skills within their organization's priorities. This survey revealed that most considered foreign language skills a "commodity," a service provided by specialists such as translators, to be bought and sold as needed. One reply to the need for foreign language skills, "You can manage foreign languages. It's the culture that trips you up," summarizes the prevailing attitude (p. 7). This lack of appreciation for foreign language skills can apparently be traced to American business' success during the 1950's and 1960's, when those who wanted American products came as suppliants. In other cases, American business found foreign merchants who spoke English to market their goods (Lambert, 1986). This apparently led many American businessmen to assume that whoever wants to do business with Americans is willing to do it in English.

The need for foreign language skills. Lambert (1990) referred to American business as "devoutly monolingual" (p. 48). According to a 1988 Gallup Poll, undertaken for the National Geographic Society, foreign language skills placed at the bottom of what American adults considered valuable knowledge. Part of this disdain for foreign language competence may have been the perception that it had little practical use. However, President Clinton's speech at Moscone Center in San Francisco on July 4, 1993, on the eve of his departure for the Tokyo G-7 Summit, emphasized that foreign language skills are no longer just for refinement but for economic survival.

As early as 1961, Robert Lado's opening statement in *Language Testing* (above,

p. 2) had suggested the need for changes in the paradigm of foreign language skills and applications. Lado's basic communication could easily refer to the needs of business, which, in Japan, involve the building of relationships rather than simply contractual negotiation (Christopher, 1986; De Mente, 1987, 1994). Due to the fact that most AENS businessmen in Japan should not need advanced language skills, a pragmatic approach deserves further consideration. Such an approach has been advanced by models like Higgs and Clifford's (1981) alternative track, Kramersch's (1986) interactional competence, and Campbell's (1991) social-cultural competence.

The Need for a New Cultural Perspective

Jorden and Walton (1987) characterized languages that share neither the linguistic nor cultural rules of English as “truly foreign languages” (p. 111). They stated that acquiring these tongues involves more difficulty for the AENS. Markedness Theory (Eckman, 1987) separates languages from a universal simple structure by levels of complexity; it can be used to briefly demonstrate grammatical distances between spoken English and Japanese. For example, English has a syntax-dominant progressive structure with non-phonemic aspiration, non-phonemic vowel length and generally non-assimilatory juxtaposed consonants with phonemic voicing of consonants in initial, medial, and final position. Japanese possesses a morpheme-dominant structure, phonemic aspiration, phonemic vowel length, and phonemic voicing for initial and medial consonants. In short, few structural matches exist between English and Japanese except consonant voicing. However, these complex examples of syntactic, morphological, and phonological disparity

in English and Japanese are regular and predictable in comparison to Campbell's (1991) social-cultural differences.

Language for specific purposes. According to Grosse and Vought (1990) vocationally-oriented languages can serve multiple purposes:

In foreign languages, the LSP (language for specific purposes) movement responds to the urgent need to educate Americans in applied foreign languages, to equip them with cultural knowledge useful in understanding, appreciating, and interacting successfully with foreign counterparts, and to help Americans become sensitive to the existence and validity of different perspectives on life and global issues. (p. 39)

The economic difficulties and opportunities of Japanese markets have become increasingly evident to American business. During the last decade, Japan has become our second biggest customer and the U.S. her largest market.

Cultural factors influencing Japanese. Japan and the United States have been closely related for a century and a quarter, but one could argue there is little cultural congruency between the two (Covell & Covell, 1984). For AENS, learning to speak Japanese at the Intermediate High level (Level 2) on the scale of the American Council on the Teaching of Foreign Languages (ACFTL) or U.S. Government Interagency Language Roundtable (ILR) Oral Proficiency Interview (OPI) requires a great deal of effort compared to Teutonic or Romance languages where structural/semantic cognates and similar cultural assumptions make learning easier (Jordan & Walton, 1987). Further, the “individualist/collectivist” dichotomy as a societal base (Triandis, Brislin, & Hui, 1988)

must be considered with AENS as individualists and Japanese as collectivists (p. 271). The rules governing these two cultural styles impart diametrically opposed assumptions governing proper human interactions: “self” to an individualist means self-responsibility, self-reliance, and defining one’s persona based on personal characteristics; the collectivist looks to the group for support and the definition of “self.” While many surface lifestyle similarities appear to exist, Japanese and AENS have very different cultural foundations that determine business relationships (De Mente, 1994).

De Mente, in *How to do Business with Japan* (1987), titled one chapter, "Penetrating the Impenetrable Barrier," perhaps to emphasize the difficulty that AENS have in Japan. Quoting author Sen Nishimaya in his chapter prologue, De Mente stressed, “When dealing in two such different languages as English and Japanese, with their correspondingly different historical, social and cultural backgrounds, it is important to realize that communication begins before a word is spoken” (p. 81).

Christopher (1986) has stated that 80% of Japanese communication is non-verbal. If AENS can participate in Japan's silent language they may do far better at understanding meaning and establishing relationships than those who rely principally on grammatical skills. De Mente (1987) noted:

This non-verbal communicating is via the stomach instead of the head. That is, it is based on a deep, inexplicable visceral feeling, described in Japanese by the word *kan*, which can be translated as 'emotional attunement.' The Japanese are always reluctant to make a decision or initiate any action until this 'gut feeling' is right.

(p. 82)

In Japan, everyone has social roles as well as reciprocal responsibilities. These include concepts such as *amae*, the selfless indulgence of another's wishes (Gibney, 1975; Doi, 1962). Further limitations on individual actions include *gimu*, reciprocal favors, and *giri*, a duty performed as part of maintaining self-respect, or servicing a debt that can never be repaid (Benedict, 1946). *On*, or duty to the company or nation is just return for the support it provides the individual, compounding the social debt (De Mente, 1984).

Japanese attitudes towards language as a marker of ethnic identity and "Japaneseness" are of paramount importance, as stated by Miller (1977) :

The importance of Japanese language as an identity marker is illustrated both by the hostility and problems met by the foreigner who speaks Japanese with some fluency. Since speaking Japanese is closely linked with ethnic identity, when a foreigner speaks Japanese well, the ethnic difference between foreigner and Japanese is reduced to the 'Asian-ness of the Japanese'. (p. 192)

One of the few true functional bilinguals among Western businessmen in Japan, George Fields (1988), still feels this hostility after decades, especially in professional matters. His perfect, accentless Japanese caused a female translator at a professional conference to remark, 'Oh, you give me the creeps.' In other words, no *gaijin* (foreigner) should speak Japanese that well (p. 176).

Achieving business success in Japan is not easy for AENS. Christopher (1986), wrote that few Americans, except those who make Japan a lifetime study, ever understand Japanese values. Recounting one failure (1983), he stated:

Not long ago, an American who for many years represented a major U.S. media conglomerate told me the sad story of his own company's floundering in Japan. At some point in the mid-70's, his bosses back in the United States came up with the notion of entering into a joint venture with a leading Japanese publishing firm.

When the negotiations at long range failed to produce results, top executives of the U.S. firm decided--logically enough by American lights--to fly to Tokyo and make a direct approach to the president of the Japanese company they were wooing

When he learned of this plan, my friend strongly urged that it be abandoned. No Japanese chief executive, he explained, would take a decision of such importance without first making sure that it had been thoroughly considered and accepted by everyone from the middle-level management up, . . . this [action] was sure to be counterproductive. (pp. 21-22)

Contrary to advice, the U.S. executives came to Tokyo, were lavishly entertained, and made the proposition. The Japanese president declined to make any substantive comment or commitment. Christopher concluded, "In the end, to the continuing mystification of the American executives, the deal never came off" (p. 23).

Cramer's (1990) study of the effects of learning Japanese on business success presented interviews with five successful linguistically competent, American businessmen. Their comments emphasized the need for cultural understanding:

Participant C: It's what you don't say that's sometimes more important than what you do say. It's how you say it. For example, you can use the Japanese expressions *kentoo shimasu* or *kangaete okimashoo*. Literally translated, the

statements mean 'I'll study it' and 'I'll think about it'--meanings that seem close in English. In practice, one means I *will* study it, the other means 'You haven't got a chance'.

Participant A: The advantage I see among business people here who speak Japanese is often more cultural than simply communicative. . . . Even using interpreters--say in a multiparty negotiation including some people who have no Japanese--those participants who do speak have some cultural fluency that allows them to measure the flow of the negotiations with a great deal more sensitivity.

(pp. 90-91)

Summary. It is apparent some language and cultural skills are nearly fundamental needs if AENS wish to reach their full business potential in Japan. Also, American goods are no longer the only ones with world-class quality and as stated in the *Economist* (p. 8, above) and as De Mente (personal communication, February, 1994) emphasizes, while you can always buy in English, selling is another matter. Cohen (1991) puts the need for language in dealing with the Japanese succinctly, stating that the failure of U.S. policy relating to business in Japan is “. . . a systemic imbalance of competitive forces that significantly favors Japanese industry and is magnified by a communications gap” (p. 14). The following research and conceptual framework suggests a model for assessing foreign language skills of AENS doing business in Japan and the role of language competence in personal and company success.

Testing Theoretical Models of Language Competence:

Structural Equation Modeling in Applied Linguistics

The field of language testing has recently produced a host of empirical investigations of competing models of language competence, with a “starting point” that could be assigned to Oller’s (1976) publication “Evidence for a general language proficiency factor: An expectancy grammar.” He hypothesized that language abilities were a unitary trait, represented by a single General Competence, with this “G” factor accounting for the largest proportion of the factor variance, the remaining specific factors being no more important than leftover error variance. One implication of these startling findings suggested that any of the smallest divisible parts of this unitary trait could provide a substantive estimate of the subject’s language capabilities. This conflicted with common wisdom and the extant skills and components model (Lado, 1961; Carroll, 1961, 1968) driving language teaching and testing, beginning a flurry of empirical investigation into the nature of the combined latent traits called “language.”

While the Unitary Trait Hypothesis proposed by Oller (1976) and supported by Scholz et al (1980) was later demonstrated to be more readily explainable by a correlated-trait, bifactor or higher-order factor model (Carroll, 1980, 1983; Bachman & Palmer, 1981, 1982, 1989), the discussion did lead to a revival of interest in language models. This research into language models primarily used “full latent trait” structural equation modeling and “confirmatory factor analysis,” both multivariate correlation-based statistical techniques, the latter a special case of the former (Bentler & Stein, 1992). Structural equation modeling as generally applied is described as an *ex post facto* correlational

design, allowing the testing of specified theories that model underlying reasons (latent traits) for observed behaviors in a population. This approach substitutes statistical controls imposed on the data by the researcher in the form of hypotheses, requiring a theoretical model to “fit” a set of data from a sample population in a way specified before analysis begins. This is one substitute for true experimental conditions (such as random assignment to a treatment or control group) in research where experimental requirements would be unethical or impractical.

Language modeling through construct validation. The 1980s produced an abundance of applied linguistics research using structural equation modeling based on the LISREL model (Joreskog & Sorbom, 1978). These included such seminal works as Bachman and Palmer (1981, 1982, 1989), which empirically demonstrated multi-faceted views of language capabilities. Second language acquisition (SLA) researchers, Gardner (1983), Gardner, Lalonde, and Pierson (1983), Gardner et al (1987), and Purcell (1983) assessed relationships among factors influencing SLA, including attitude, aptitude, integrativeness, motivation and others, demonstrating relationships between language capabilities and language learners first hypothesized by Gardner (1979) and Lambert (1963). Gardner et al (1987) focused on language attrition, or language loss, for Anglophone speakers of French (college students), using self-assessment measures. One finding showed that the subject’s attrition was not best predicted by amount of language use during summer vacation, but rather by language skill levels before the vacation.

The 1990s have also produced a number of structural equation modeling studies of language acquisition/competence. Fouly, Bachman, and Cziko (1990) used multiple

measures to assess college students learning English as a Second Language, using the framework developed by Bachman (1989, 1990). This study provided support for both the correlated traits and higher-order factor models of language competence. Sasaki (1991) carried out a large-scale investigation of the relationships among second language proficiency, foreign language aptitude, and intelligence/cognition. Her results demonstrated support for language and cognition as correlated traits but did not support the hypothesis of a higher-order factor for cognition predicted by language ability.

Testing Communicative Language Ability:

Development of the Bachman Model

Bachman and Palmer (1982) began using a Multitrait-Multimethod construct validation design according to the ideas of Campbell and Fiske (1959), proposing a model for “communicative language ability” based on the ideas of Canale and Swain (1980), in which language was seen as a higher-order factor, composed of three traits, grammatical competence, pragmatic competence, and sociolinguistic competence. Pragmatic competence and sociolinguistic competence represented other, hidden aspects of discourse, including the nonverbal cues in language, such as word choice, register, naturalness, and others which made an utterance appropriate, i.e. socially or culturally acceptable for the particular interlocutors at that given time. This represented an extensive revision of the skills and components model (above) which had previously included only the skills given as listening, reading, writing, and components of morphology, syntax, vocabulary, and phonology. Revision of this limited model had been called for by diverse researchers (Bachman & Savignon, 1986; Olshtain & Blum-

Kulka, 1985). Models of the disparate and joint aspects of language competence initially provided by Hymes (1972), Munby (1978), Widdowson (1978), Canale and Swain (1980), Savignon (1980), and Bachman (1985) led to the development of the “Bachman Model of Communicative Language Ability” (1990).

Bachman (1990) presented a model of Communicative Language Ability, described as “. . . consisting of both knowledge or competence, and the capacity for implementing or executing that competence in appropriate, contextualized communicative language use” (p. 84). Bachman's model attempts to encompass the full range of skills needed for communicative success within and across languages. As implied by Jorden and Walton (1987) the importance of realizing the full range of communicative strategies increases as a function of the growing distance between the language structures/cultural assumptions of the interlocutors.

Theoretical foundation. Previous models of language proficiency, still commonly used for skill measurement, that do not account for effects of utterance contexts, are called Skills and Components Models. Developed primarily by Lado (1961) and Carroll (1961, 1968), these models presented discrete skills such as listening, reading, speaking, and writing, and skill components such as grammar, phonology/graphology, and vocabulary. Most language testing models, including the ACTFL OPI and the U.S. Governments' Department of State/Department of Defense Interagency Language Roundtable (ILR) guidelines rely primarily on this model. These criteria acknowledge but do not credit cultural skills towards “proficiency” in the absence of matching grammatical/lexical capabilities. Bachman's model includes the dynamic interactions

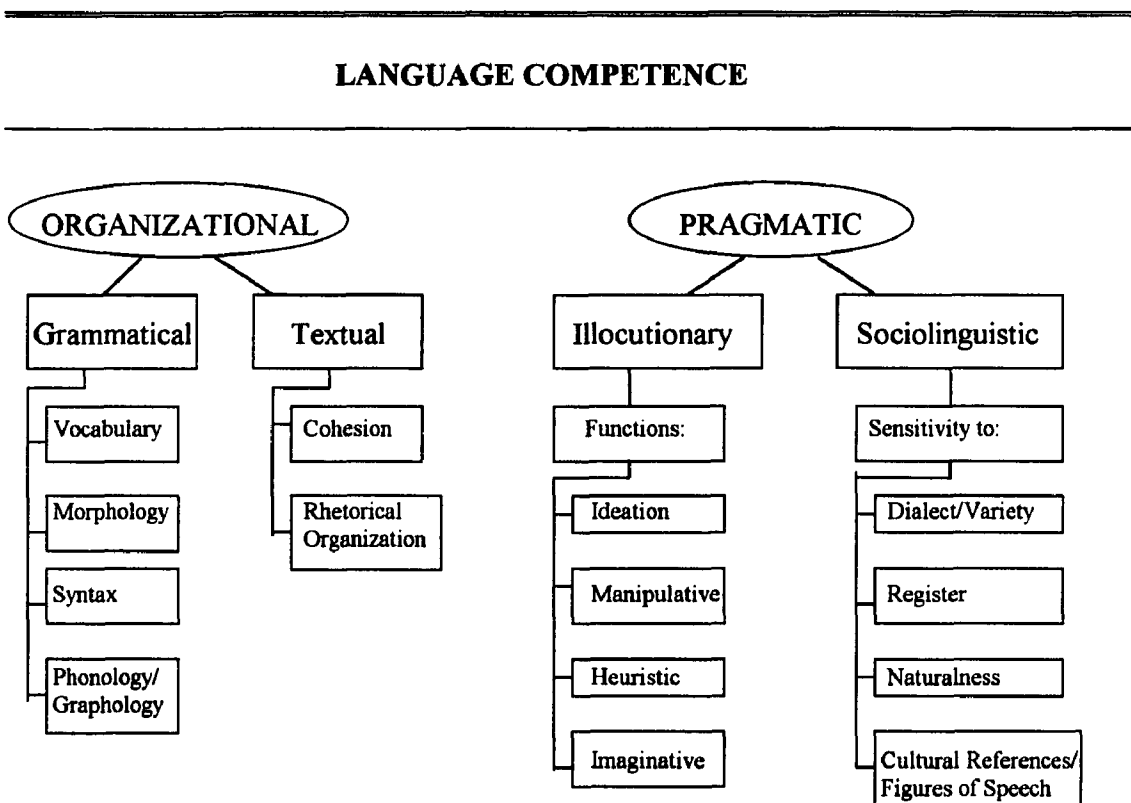
between the interlocutors, context, and task, drawing upon communicative competence ideas put forth by Munby (1978), Canale and Swain (1980), and Savignon (1983). Hymes (1972) pointed out that social context and sociolinguistic cues determine acceptability. English is exemplary of a low-context language needing large amounts of specific background information supporting each utterance: this makes it ideal for business and science, background supplied as needed for each communicative task. Japanese is a high-context language with a great deal of background information implicit: successful communication beyond a rudimentary level requires shared (or at least understood) cultural assumptions.

Definitions of language competence. The components of Bachman's model are presented below in Table 1. The two domains of interest, Organizational competence and Pragmatic competence, have been further subdivided according to Bachman's framework into subdomains and skills. The limited overlap across domain/subdomain boundaries should not invalidate the larger model. Organizational competence provides a template to determine fit for a given utterance in any situation, with regard to grammatical structure and textual composition. It has two major subdomains, labeled grammatical and textual competence. Grammatical competence comprises four major skill areas, (a) vocabulary, breadth and depth, (b) morphology, prefixes, suffixes, infixes and pre/postpositions, (c) syntax, word order as it affects meaning, and (d) phonology/ graphology, the sounds and symbols of a language. Widdowson (1978) described grammatical competence as being composed of a number of loosely-related skills that by their usage, form, and arrangement express propositions about specific concepts, existing in the abstract or concrete. Textual

competence involves two skills, (a) cohesion, the way words fit together, and (b) rhetorical organization, the way utterances form a communicative whole.

Pragmatic competence has two subdomains, illocutionary and sociolinguistic competence. Both have multiple skill levels that govern the conventional rules of language, determining acceptability of an utterance for given interlocutors and social contexts. Bachman (1990) introduces illocutionary competence as a clarification of the theory of “speech acts,” such as requests, apologies, and warnings (p. 90-92). Bachman’s model of illocutionary competence contains four skills, (a) the ideation function, to express meaning, (b) the manipulative function, to affect the world around us, asking

Table 1: Components of Language Competence in the Bachman CLA Model



Note: From *Fundamental Considerations in Language Testing* (p. 87) by L.F. Bachman, 1990, Oxford, UK, Oxford University Press. Copyright 1990 by Lyle F. Bachman. Adapted by permission.

favors, giving commands, (c) the heuristic/learning function, using language to extend or revise our personal knowledge schemata, and (d) the imaginative function, to create or express humor or aesthetic qualities of thought. Sociolinguistic competence involves four skill levels that determine the appropriateness of illocutionary acts and the grammatical structure/textual composition between given interlocutors. The skills include, (a) sensitivity to dialect/variety, or when to use/suppress a regional or ethnic dialect, (b) sensitivity to register, such as the proper use of honorifics, (c) sensitivity to naturalness or native-like usage, to determine word choice, and (d) cultural references/figures of speech, or when to use a metaphor or aphorism for effects. When examined as a whole, language competence as a superdomain or higher-order construct comprises all the nonphysiological specifically language (as opposed to strategic) skills learned for communicative purposes.

Summary

The review of literature has indicated that neither American business nor academe appreciate the potential benefits of foreign language skills in business, or the potential dangers of the lack thereof. Also, there are strong indications that grammatical competence alone is not enough to guarantee successful communication, and by derivation, business success in Japan. Structural equation modeling is widely used in language research to model the existence of latent traits that support definitions of certain types of language competence. The Bachman Model of Communicative Language Ability provides a way to measure three paradigms of language competence. The superdomain, General or Language Competence, is composed of Organizational competence, which

encompasses grammatical/textual competence and Pragmatic competence, which includes illocutionary/ sociolinguistic competence. The relative strength of these competencies in the sample population will allow determinations about which aspect of competence is more useful to AENS doing business in Japan. The next chapter describes the research design, how a special form of Bachman's model, the Modified Communicative Language Ability Model (MCLA) is applied in this study. The chapter also provides a description of the sample, instrumentation, and specific methodological application of the structural equation modeling approaches applied in this study.

CHAPTER 3

Methodology

Introduction

This chapter begins with a brief description of the research approach and design. The second section presents a description of the sample. The third section describes the instruments used in the analysis and tables of variables. The succeeding section discusses the treatment of data and the analytic methodology. The following section discusses the limitations of the research design. The concluding section presents the chapter summary and introduction to Chapter 4.

Research Approach and Design

This study utilizes an ex post facto correlational design, sometimes called “causal-comparative” (Borg & Gall, 1983), allowing the investigation of the behavior patterns among similar subjects after such behavior has occurred. This research design is particularly applicable to social science research, which usually observes behaviors in a natural setting, making experimental control difficult. Also, ethical considerations forbid deliberately suppressing or accentuating many natural behaviors that are of interest, due to potential harm to the subject or society. In classical causal-comparative correlational techniques, correlations of behavior(s) among subjects, measured by observed variables, allows the researcher to hypothesize relationships between these behaviors. However, unlike true experiments, solid cause-and-effect relationships cannot be demonstrated this way. Structural equation modeling, the analytic procedure used in this study, allows one to make testable inferences about relationships among the data, modeling a specific theory

concerning behavioral relationships; this does not provide a “true” cause-and effect inference about a relationship, but advances beyond simply rejecting the null hypothesis of no difference as a springboard to an otherwise insupportable theory (Cohen, 1995). In the case of this study, it allows modeling *a priori* specified theoretical relationships between language skills and business success, the former a behavior that has grown and changed over time, the latter possibly dependent on the former. The behaviors defining language skills and business success must also be assessed retrospectively by the respondents, since all have occurred in the past.

Sample and Survey Procedure

The sample was taken from a group of American or other Native English Speaker (AENS) businessmen in the target language country, Japan, from the membership directory of the American Chamber of Commerce in Japan (ACCJ), all of executive rank, manager, partner, or higher. The sample population excluded all language teaching or translation professionals as possibly biasing the data. Likewise, women were excluded due to potentially confounding influences resulting from aspects of Japanese business culture which are biased against women (Brannen & Wilen, 1993). Finally, only those businessmen who were living in Japan were surveyed; the substantial number of ACCJ members who were resident in the continental U.S., Hawaii, Hong Kong, Korea, or Taiwan as the sole listed AENS company representative were excluded.

The original survey questionnaire (see Appendix A) using the 1993 ACCJ membership directory was mailed on September 4, 1994, to all 540 eligible members who, by name and company affiliation, might reasonably be expected to be AENS working for

American companies in Japan; this included several Asian-Americans. The subjects were sent an explanatory letter (see Appendix B) and a self-addressed, [Japanese] stamped airmail envelope, along with a promise to return a summary statistical analysis at some future date in 1995. The initial mailing generated a total response of 193, 108 usable surveys along with 85 "Return to Sender" Tokyo and Kobe post-office stamps. The large number of post office returns due to incorrect address problems caused a re-evaluation of the population using a new (1994) membership list (unavailable to the researcher when the first mailing list was prepared in June, 1994). This 1994 directory listing of the remaining subjects from the original sample, along with company responses and returned mail signifying the subject had resigned, retired, or transferred, indicated that the total number of eligible subjects still in Japan at the time of the September 4 mailing was actually 415. (This also meant excluding companies no longer listed by ACCJ in 1994, for a total turnover in companies and/or personnel of 23%, slightly exceeding the average yearly 20% turnover proposed as normal by John Leslie working in the Japan section at the U.S. Department of Commerce. Personal communication, June 13, 1994.) This re-evaluation indicated an initial response rate of 26%. The follow-up mailing of 310 included a new letter on UCLA Graduate School of Education, Division of Higher Education and Organizational Change letterhead (see Appendix C), with the subject's specific name, title, and company address inserted by mail merge below the letterhead, including a slightly revised question 8 measuring previous language study (see Appendix D for the revised survey), along with one serial, uncirculated U.S. two-dollar bill as a "token of gratitude" for the respondents' participation. This second mailing produced 100 responses, with the

last replies arriving in February, 1995. The total of 208 respondents from an adjusted sample of 415 yields an overall response rate of 50%.

The respondent sample was reduced to 193 members by eliminating those who did not fulfill the AENS criterion with one other who had been in residence less than six months. The sample size was further reduced to 190 members due to missing data or unclear/missing responses in the variables defining language skills and/or personal and company success, resulting in a final sample size of 190.

Instrumentation and Variables

The principal measures used in this study were obtained by a survey questionnaire, which had multiple measures defining the sample demographics and specific questions allowing respondent self-assessment of scaled language abilities and levels of business success in Japan. The instrument provided twelve “language competence”(independent) measures and five “success” (dependent) measures. Ten of the twelve independent variables used to self-assess individual language ability levels had been validated by Bachman and Palmer (1989). The two variables used to sample the illocutionary portion of language competence (speech acts) were designed by this author in the same format as the questions in Bachman and Palmer (1989). These independent variables are presented in Table 2A for Organizational Competence and Table 2B for Pragmatic Competence.

Self-Assessment of Communicative Language Ability: Various forms of introspective measures, in this case focused retrospective assessment of language competence, have been used since the beginning of psychological research (Larsen-Freeman & Long, 1991). These allow gauging behaviors or abilities otherwise difficult to

measure due to ethical or financial considerations. The variables in this study represent an underlying interval scale, with categories delimiting measures of communicative language ability rising from one to four (as opposed to relative agreement or disagreement with certain attitudes/opinions). The survey responses could have been expanded to a seven-point scale, due to the patterns of respondent answers. While the subject might indicate a "0" for all categories by writing in "I have no skill in Japanese," or its equivalent, the lowest score awarded for any measured variable was "1." Another scale modification by the respondents for many cases was circling more than one letter, such as "a" and "b." The lower score was awarded in these cases as opposed to a mean score for the two answers, so that estimates of respondent language ability tend to be underestimated, hopefully avoiding halo effect to some extent.

One important supporting aspect of this research is the Multitrait-Multimethod (MTMM) approach used to demonstrate the construct validity (Campbell & Fiske, 1959) of the Modified Communicative Language Ability (MCLA) model hypothesized in this study. Validity can be established in different ways, with traditional forms of validity for language testing (face validity, content validity, criterion/predictive validity, etc.) being superseded in recent years by construct validity using MTMM analyses relying on confirmatory factor analysis or full latent variable structural equation modeling to demonstrate the existence of specific language traits. (See the work edited by Palmer, Groot, & Trostler, 1981, and Bachman, 1990 for an extensive treatment of construct validity in testing communicative competence.)

Table 2A: Variables Used to Determine Self-assessed Organizational (Grammatical) Competence for AENS in Japanese

Constructs	Skills	Item used to represent construct	Measurement (Bad --> Good)
<u>Grammatical Competence</u>			
Grammar usage	Productive	How many grammar mistakes I make	1=Mistakes in almost everything, 2=Many kinds, 3=Only a few kinds, 4=Almost never.
Grammar usage	Receptive	If I can notice other's grammar mistakes	1=Almost never, 2=Sometimes, 3=Usually, 4=Almost always.
Vocabulary levels	Productive	I sometimes lack needed vocabulary	1=Almost always, 2=Often, 3=Not very often, 4=Never.
Vocabulary levels	Receptive	I can understand other's vocabulary	1=No, almost never, 2=Sometimes, 3=Usually, 4=Yes, almost always.
<u>Rhetorical Competence</u>			
Rhetorical complexity	Productive	My difficulty with rhetorical organization	1=Impossible, 2=Very hard, 3=Not very hard, 4=Very easy.
Rhetorical complexity	Receptive	I understand other's rhetorical organization	1=Almost impossible, 2=Very hard, 3=Not very hard, 4=Very easy.

Table 2B: Variables Used to Determine Self-assessed Pragmatic (Cultural) Competence for AENS in Japanese

Constructs	Skills	Items representing the construct	Measurement (Bad --> Good)
<u>Illocutionary Competence</u>			
Speech acts	Productive	Know if I ask favors correctly	1=Mistakes in almost everything, 2=Many kinds, 3=Only a few kinds, 4=Almost never.
Speech acts	Receptive	I know if other's ask favors correctly	1=Almost never, 2=Sometimes, 3=Usually, 4=Almost always.
<u>Sociolinguistic Competence</u>			
Register & honorifics	Productive	My difficulty with proper honorific forms	1=Impossible, 2=Very hard, 3=Not very hard, 4=Very easy.
Register & honorifics	Receptive	I know if others use proper honorifics	1=No, almost never, 2=Sometimes, 3=Usually, 4=Yes, almost always.
Native-like word use	Productive	I have trouble using same words as native	1=Impossible, 2=Very hard, 3=Not very hard, 4=Very easy.
Native-like word use	Receptive	I know when others use native-like words	1= No, almost never, 2=Sometimes, 3=Usually, 4=Yes, almost always.

The MTMM framework of the MCLA model being tested consisted of two of the three test method factors (Difficulty and Recognition) from the self-assessment measures validated by Bachman and Palmer (1989). Test method factors measure the portion of a score confounded with the method of measurement; this confounded score can represent a large portion of the variance in the observed variables measuring language competence for native as well as nonnative speakers (Stevens & Clauser, 1995). The test method factors in the author's study do not represent different test forms, e.g. multiple-choice vs. oral interview (such as Bachman & Palmer, 1982); both method factors are self-assessment measures, with "difficulty" in producing a given speech behavior labeled as "Productive Skills" and "recognition" of other's mistakes labeled as "Receptive Skills" in the figures and tables. Briefly, Pragmatic Competence is represented by: (a) Speech acts, facility with asking favors or making apologies (Illocutionary competence), (b) Register & honorifics, facility with using proper forms of address/honorifics in speech (Sociolinguistic competence), and (c) Native-like word use for illustrative effect (Sociolinguistic competence). Organizational Competence is represented by: (a) Grammar usage, facility with rules for word order and tenses governing comprehensibility (Grammatical competence), (b) Vocabulary levels, facility with an increasing range of properly collocated words for a given topic as opposed to using circumlocution (Grammatical competence), and (c) Rhetorical complexity, facility with utterances of increasing length and complexity for higher levels of abstract communication (Rhetorical competence). While the full Bachman model has other components (see Table 1, p. 25) representing Language Competence this subset was chosen by the researcher as most representative.

The items used to elicit the measured variable responses are numbered 22 through 33 in the questionnaire in Appendix A. Item reliabilities, determined by extraction of a one-factor principal components solution to determine the common variance of the items, are presented in Table 4. All but one of the variables for language competence have reliabilities exceeding .90, with Speech acts, receptive showing the lowest reliability (.79). Variables measuring register in the MCLA model being tested are the items not validated in Bachman and Palmer (1989) with both showing acceptable reliabilities of .90 or greater. While the reliability for Speech acts, receptive was somewhat low, due to its companion measure showing .95, the lower-reliability item was retained acceptable measure.

Measuring personal and business success. The five measured variables soliciting self-assessment of business success in Japan were created to assess the relationships between the MCLA model, suggested by Bachman's (1990) organizational and pragmatic language constructs and two constructs defined in this study as Personal Success and Company Success. The observed variables were designed with the help of Boye DeMente, a business consultant, long-term resident of Japan, fluent in the language, with a dozen significant publications on Japanese business practices. He has also been an adjunct professor at the American Graduate School of International of Management. The survey questions were prepared based on the literature's implied definitions of Personal and Company Success in Japan and had not been previously validated through an MTMM framework, relying solely on face validity and content validity. While interval measures of company financial performance from corporate records might have been obtained, the facility with which these can be manipulated for strictly business purposes making them

Table 3: Variables Used to Determine Levels of Personal and Company Success for AENS in Japan.

Constructs	Survey items	Measurement (Good-->Bad)
<u>Personal Success</u>		
Comfort level at work	Ability to work comfortably with Japanese	4=Excellent, 3=Usually good, 2=Not always good, 1=Not good at all.
Networking for success	Ability to network with Japanese	4=Excellent, 3=Very good, 2=Adequate, 1=Poor.
<u>Company Success</u>		
Current company revenue	Our current revenue/prospects are:	4=Excellent, 3=Very good, 2=Average, 1=Poor.
Hiring success	Our ability to hire top-quality people is:	4=Excellent, 3=Very good, 2=Average, 1=Poor.
Current employment policies	Our policies dealing with our local employees is:	4=Very successful, 3=Generally successful 2=Somewhat successful, 1=Not very successful

Table 4: Reliabilities for Observed Language Competence and Success Variables

Variable & Constructs	Skill	Reliability Coefficient
Language Competence		
<u>Illocutionary</u>		
Speech Acts	Productive	.95
Speech Acts	Receptive	.79
<u>Sociolinguistic</u>		
Register	Productive	.90
Register	Receptive	.94
Native-like Word Use	Productive	.92
Native-Like Word Use	Receptive	.93
<u>Grammatical</u>		
Syntax & Morphology	Productive	.95
Syntax & Morphology	Receptive	.91
Vocabulary Levels	Productive	.95
Vocabulary Levels	Receptive	.95
<u>Rhetorical</u>		
Rhetorical Complexity	Productive	.93
Rhetorical Complexity	Receptive	.95
Personal & Company Success		
<u>Personal Success</u>		
Comfort Level Working in Japan		.80
Networking with Japanese		.80
<u>Company Success</u>		
Company's Revenue & Prospects		.74
Success, Hiring Quality People		.80
Success, Workplace Policies		.78

Note: These reliability coefficients were obtained by a extracting one-factor principal components solution to find the common variance for each cluster of variables assigned to a given construct.

somewhat unreliable as a measure of long-term business success (Drucker, 1993). Several literary sources pointed out that quick profits were not a sign of long-term success in Japan. The two variables defining Personal Success basically represent the respondent's ability to adjust to a new business culture, one based to a greater extent on personal relationships than commercial considerations (such as money made in short-term arrangements). Networking with Japanese shows facility for establishing the personal relationships necessary to expanding one's market in Japan. Comfort level shows ability to adapt to culture shock when working with a people whose ideas concerning the consensus approach to decision-making are radically different from the operating philosophies of the majority of American/Western businesses. Company Success seeks to measure the capacity for business success in the still-restricted Japanese market, where prospects for company success are equally a function of the same human relationships and cultural adaptability that contribute to Personal Success in Japan (De Mente, personal communication, May 10, 1994). Revenue and prospects for success strives to capture the adaptability of the company to the very different realities of product marketing in Japan. Success with hiring quality people weighs the facility to find employees who can contribute to the company's prospects through their own abilities and personal relationships. Success with workplace policies measures the facility to match American/Western temperaments and home office operational expectations with employee performance and the realities of the Japanese market. The reliabilities for the variables were not as high as those used to measure language competence, but were considered acceptable for this initial study (see Table 4). The questions are summarized in Table 3

(see Appendix A for a copy of the questionnaire used to define these variables, questions numbered 49 through 54).

Sample definition. The sample population was bound by all those providing responses to the language competence and success measures. Additional descriptive statistics for the sample population provided in Tables 5 through 13 in Chapter 4 include: (a) Company type, the primary business engaged in, (b) Numbers of foreign languages spoken, (c) Years of foreign language training, (d) Years of residence in foreign countries, Japan, Europe, and other parts of Asia, (e) Types of Academic or business degrees, and (f) Marital status, age, and country of citizenship. (The few cases of residence in countries not in Europe, but where there had been a large Western impact on traditional culture, e.g., Brazil, were counted as residence in Europe. The few cases where residence was reported in countries near East Asia but with little Western impact on traditional culture, e.g. Turkey, were counted as residence in Asia.)

Data Processing and Statistical Analysis

Data from the surveys were first entered into Microsoft EXCEL for Windows (Microsoft Corporation, 1993) and then transferred to EQS for Windows, the structural equation modeling software used for this research (Bentler & Wu, 1993, 1995). No cases with missing data for the language competence or business success variables were used, while missing data were allowed for the descriptive statistics.

Applying structural equation modeling. “Structural equation modeling” describes a multivariate analytic procedure that allows the testing and interpretation of a priori specified models of given behaviors (see also p. 23 above); it is one of a limited number of

ethical ways to carry out research into causality in the social sciences when investigating relationships between people and their activities. The mathematical representation might be described as a marriage of exploratory factor analysis and linear regression. The observed variables serve as indicators of theoretically specified latent variables or “constructs” of interest. These constructs (such as aptitude or facility with language) cannot be observed directly and are assumed to underlie a certain behavior, in this case language competence or success, which can in turn be measured by certain observed behaviors, represented as measured variables in the layout of the model. All variables in EQS fall into two categories, observed or measured variables and unobserved or latent variables; both can have “error” terms, an amount of variance not explained by the model. Either or both variables, measured or latent, can be dependent or independent within the same model, subject to certain restrictions. Two basic kinds of structural models used in this research, Confirmatory Factor Analysis (CFA) and the Full Latent Variable model (FLV), differ in application. According to Byrne (1991):

CFA addresses the situation where the researcher wishes to test hypotheses that a particular linkage between observed variables and their underlying factors does in fact exist. Drawing on knowledge of theory, empirical research or both, he or she postulates the linkage pattern a priori and then tests the hypothesis statistically. . . . Given its sole interest in the link between factors and their measured variables, the CFA model, within the context of SEM [structural equation modeling], is considered to represent the measurement model. (pp. 6-7)

This allows a CFA model to predict that certain constructs or traits underlie (predict) given observed variables, in this case the presence of the Pragmatic and Organizational Competence. These constructs or traits can be ascertained by analyzing the covariance of the observed variables in the MCLA model. The Full Latent Variable model (FLV), according to Byrne (1994):

... allows for the specification of the regression structure among latent variables. That is to say, the researcher can hypothesize the impact of one latent variable on another in modeling causal direction. This model is termed **full** (or **complete**) because it comprises both a measurement model and a structural model: the **measurement model**, depicting the links between the latent variables and their observed measures (i.e., the CFA model), and the **structural model**, depicting the links among the latent variables themselves. (sic, p. 7)

FLV models allow testing the hypothetical attributive relationship(s) between constructs, for example the potential relationship between the contributions of “Personal Success” to the construct defined as “Company Success,” indicative of the probable role the former has in defining the latter.

The Bentler-Weeks model. EQS, the statistical software used for data analysis in this study applies a mathematical model for structural modeling derived from Bentler and Weeks (1979, 1980), where all variables can be categorized either as independent or dependent. According to Byrne, “Any variable that has a unidirectional arrow (one-way path) aimed at it represents a dependent variable; if there is no unidirectional arrow aiming at it, a variable is considered to be independent” (p. 9). This approach is unique to the

Bentler-Weeks model, making nonstandard models easier to test, but does not change the results in any substantive way, while making the hypothetical models easier to specify.

The strength of the relationships between the latent traits called “factors” and the measured variables which predict these factors (thus their implications for the theoretical model) are provided by factor “loadings.” These indicators show the strength or magnitude of the relationship between a given hypothesized factor and an observed variable or dependent factor. These loadings are generally shown on a standardized scale ranging from -1.00 (a perfect negative relationship) through 0.00 (no relationship) to +1.00 (a perfect positive relationship). The factor loadings are complemented by “error” terms, showing the magnitude of the relationship between a given factor and observed variable or dependent factor not accounted for by the hypothesized relationship between factor and variable. These factor and error loadings are reported in both CFA and FLV models. This pattern of relationships is complemented by “goodness-of-fit” statistics, indicating the degree of “fit” between the theoretical model and the sample data. This similarity is assessed statistically by matching the sample’s “observed” correlation or covariance matrix (Σ) and the “expected” covariance matrix (Σ^{\wedge}), where the researcher has imposed a certain “structure” or pattern of relationships on the observed variables and factors (Byrne, 1994). Given that the model fits the data well, the differences (residuals) between these two matrices should be small and evenly distributed, thus demonstrating a good “fit” of the theoretical model to the sample data.

Fit indices in structural modeling. “Fit” in CFA or FLV models can be a very complex determination, part statistical result and part the researcher’s judgment. No

single index of “good fit” is suitable in all cases, due to a variety of reasons. These reasons can include: (a) variability in model estimation methods, (b) statistical power changing with sample sizes, (c) independence (H_A) model characteristics, which assumes no relationship(s) between the observed variables and/or the latent constructs, (d) characteristics of the specified (H_0) model under investigation, such as causal (one-way) or correlative (two-way) attributions between latent constructs, and (e) degrees of freedom (unspecified or omitted relationships) reflecting model parsimony, reductions in the number of parameters, or what might be called “degree of restrictiveness.” All these restrictions relate to a “saturated model,” where every observed variable and every factor are related, accounting for 100% of the variance or information in the model, such as the results in principal components analysis. (See Bollen & Long, 1993 for an excellent collection of articles on fit in CFA and FLV models.) The most widely-used measure of model fit for CFA and FLV models is the χ^2 statistic, described by Bentler (1992) as:

The given χ^2 statistic and tabled values of the $\chi^2_{(df)}$ distribution are used to determine the probability of obtaining a χ^2 value as large or larger than the value actually obtained, given that the model is correct. This is printed out as the probability value for the χ^2 statistic. When the null hypothesis is true [no difference between the hypothesized model and the sample data], the model should fit the data well and this probability should exceed a standard cut-off in the χ^2 distribution (such as .05 or .01). Thus in a very well-fitting model, the probability will be quite large. In a poorly fitting model, the probability will be below the standard cut-off. (pp. 92-93)

There are conditions that can lead to rejecting a given “true” model, even when it is correctly specified, by using only the p value generated by the χ^2 statistic. For example, another fit index, an H_0 model χ^2 to degrees-of-freedom ratio less than or equal to 2.00 ($\chi^2/df \leq 2.00$) reflects model fit as a function of parsimony and is considered conservative for determining model acceptability (Bollen & Long, 1993). Maximum-likelihood (ML) measurement model estimation tends to reduce the widely-recognized p value in large samples (Tanaka, 1993), leading to rejection of the correct model; this can also occur in samples where multivariate normality does not strictly hold (Satorra & Bentler, 1988). Both can lead to model rejection when requiring the usual $p < .05$ or $p < .01$ cutoff as the sole criterion, for the index such as the χ^2/df ratio ≤ 2.00 may be acceptable even when the p value is not. The term “iterations” also provides clues to model fit. This indicates the number of cycles needed for estimation/re-estimation of the model from the preset starting values. EQS does this by using the Bentler-Weeks model, computing parameter estimations from the sample covariance matrix as specified by the model’s constraints and arriving at “convergence” (minimizing the functions of the multiple equations). Completing estimation and minimizing the function within 30 iterations is quite acceptable; requiring more iterations to minimize the equation function may indicate bad start values used for estimation or a bad hypothetical model (Bentler, 1992). The “standardized residuals” indicate the amount of underestimation or overestimation of each value given the model’s constraints. The majority of residuals should cluster around the $+.10$ to $-.10$ range; non-normally distributed residuals also indicate model misfit.

More than two dozen separate fit indices are available for determining model fit, as shown in the *LISREL 8 Simplis* manual (Joreskog & Sorbom, 1993). The current controversies about determining model fit are discussed at length in a volume edited by Bollen and Long (1993), Bollen (1989) and other sources. However, this author decided to use four of the measures provided by EQS-Windows 5.0 program (Bentler & Wu, 1995) and one measure computed by hand, the χ^2 to degrees of freedom ratio. These fit indices are: (a) the Satorra-Bentler (SB) scaled p value provided by Robust ML estimation (where sample data are not assumed to be multivariate normal in distribution), with a SB scaled p equal to or exceeding .05 ($p \geq .05$), to accept the H_0 , the null model of no difference between the proposed model and the population, (b) the theoretical model χ^2 to degrees of freedom ratio of less than or equal to 2.00 ($\chi^2/df \leq 2.00$), (c) the Bentler-Bonnet Normed Fit Index (BBNFI), the Bentler-Bonnet Nonnormed Fit Index (BBNNFI), and Comparative Fit Index (CFI); all must equal or exceed 0.90 (as recommended by Bentler, 1992). The criterion for accepting the model as having an acceptable fit to the sample data is that four of five measures must meet or exceed the cutoff points to deem the model acceptable.

The strategy for analysis of the MCLA, Personal and Company Success, and Combined MCLA/Success models follows the order recommended by Joreskog and Sorbom (1993) for testing any theoretical CFA of FLV structural model: (a) specify an initial model based on substantive theory, (b) estimate the measurement model for each construct separately, and (c) link the constructs and finally the models together.

Model identification. CFA and FLV models must be “identified” to provide an interpretable solution to a given set of estimates; this requires that the solution be unique (Bentler, 1992; Bollen, 1989). Byrne (1994), briefly describes identification as:

In broad terms, the issue of identification focuses on whether there is a unique set of parameters consistent with the data. . . . If a unique solution for the values of the structural patterns can be found, the model is considered to be identified, and the parameters are therefore estimable and the model testable. If, on the other hand, the model cannot be identified, the parameters are subject to arbitrariness, with the implication that different parameter values define the same model; such being the case, attainment of consistent estimates for all parameters is not possible, and thus the model cannot be identified. (p.15)

Identification is a large topic in itself. Those needing further information should see Wothke, 1993, Bollen, 1989, and others. All models that are presented in the following chapter are “overidentified” models, where the number of degrees of freedom exceeds the number of parameters to be estimated (usually) making the solution unique. EQS provides error messages that indicate difficulties with identification, the most critical being “linear dependencies,” indicating nonidentification. Preventing this requires fixing (presetting) one or more of the following model conditions: (a) certain factor loadings, (b) adding/deleting paths, or (c) other parameters, such as factor variances, which are explained in the model results and interpretations whenever necessary. No model presented in Chapter 4 is an unidentified model.

Model fit. The covariance matrix generated by EQS from the raw data was used to determine the relationships of General, Organizational, and Pragmatic Competence in Japanese to each other for the sample using Confirmatory Factor Analysis (to confirm the MCLA model). Then the relationships of Personal and Company Success using FLV models were tested. Each model was assessed separately for theoretical grounding and model fit before moving on to the next step. An adequate fit was determined by using cutoff levels for appropriate measures given above to demonstrate model acceptability. When an acceptable fit was achieved, the factor structure and factor loadings were examined for salience and interpretability. The models presented in Figures 1 through 3 are the best-fitting theoretically meaningful models tested, even though there may be other models with better theoretical grounding or fit not discovered. EQS provides multiple statistics, such as parameter start values, number of iterations to convergence, the residual covariance matrix, and standardized residuals (where positive residuals indicate overestimation of the covariance's and negative residuals show the opposite) for model assessment. The number of iterations and spread of the standardized residuals are reported in the analysis accompanying each figure in chapter 4.

Limitations

Instruments. The research design used the assessment techniques and the majority of its survey questions to assess language skills from previously validated instruments (Bachman & Palmer, 1982, 1989). The secondary instrument created in consultation with a professional consultant, Boye De Mente, assesses the relationship of these language competencies to business success. Other portions of the survey instrument define

population characteristics, providing support for the potential of sample generalizability to the resident business population. It might be argued that the language competence aspect of Bachman's model cannot be fully tested for its effects on business success without including at least one other superdomain, strategic competence. While granting the validity of this argument, it should be remembered that business practitioners have empirical support on a daily basis (degrees of success/failure attributable to apparent communicative difficulties) to judge their requirements for acquiring pragmatic or organizational skills in Japanese. Provided this study adequately samples the population, it should provide reasonable support for a model of the business practitioner's needs in Japanese to support business success. It can be further asked if more items should have been used to sample personal or business success. However, "success" is a difficult category to address; answers to very general questions were occasionally considered proprietary information and omitted. While more questions are often better, the length of the instrument (approximately 20 minutes to complete) had reached its practical maximum of personal imposition by a complete stranger into the day of very busy people. Finally, one of the greatest limitations was limiting the subjects to AENS businessmen only. While realizing this, surveying AENS businesswomen may require a different approach, as "proper" feminine usage in Japanese is best described as "subservient." One American female executive in Japan found that she needed to use masculine attitudes/register when dealing with Japanese men (Carole Alexander, personal communication, 1989).

Research approach. The ex post facto correlational design is limited by its "after the fact" way of examining past behaviors. Behaviors occurring now, such as the

changing skills of newly arrived AENS businessmen learning Japanese cannot be tested except after the fact. Correlational designs relying on sophisticated statistical methodologies to test “causal” models can be easily overinterpreted; causality can only be demonstrated by true experiments. Like all other causal-comparative methods, even well-designed and executed studies using structural equation modeling are sample dependent. They represent the population of interest only as well as the sample represents the population. This study has sampled only a small fraction of the AENS businessmen in Japan. Lack of resources to seek a wider sample forced a selective sampling of the premier AENS business organization in Japan. Those who are serious about succeeding in business in Japan belong to the ACCJ (John Leslie, U.S. Department of Commerce, personal communication, June, 14 1994). The nearly 50% response to the survey was quite high for this sort of assessment, so there is some potential for generalizability of the results to the AENS business population at large.

Summary

This chapter has provided the research design, sample characteristics, variables, data processing procedures, analytic methodology, and limitations of the research. The next chapter provides tables of descriptive statistics covering pertinent background aspects of the sample, an example for interpreting the results of structural equation modeling, a brief recap of descriptions for the goodness-of-fit criteria used in model assessment and a description of the CFA and FLV analysis procedures used for the proposed models. Figures and tables are presented for each model discussed. These are followed by a discussion/summary of the findings, chapter summary, and an introduction to Chapter 5.

CHAPTER 4

Findings and Discussion

Introduction

This chapter presents the research findings and discusses their implications. The first section provides nine tables of descriptive statistics for the dependent and independent variables in the sample. Each table is followed by a discussion of the descriptive statistics regarding sample characteristics and its applicability to the general American/Western business population in Japan. The next section provides an overview of the measures used to interpret model's results and viability by the goodness-of-fit measures used, using the model in Figure 1 for an example. The following section provides a figure of the Modified Communicative Language Ability (MCLA) model and the confirmatory factor analysis (CFA) procedure used to test the hypothesis, along with definitions of the model's observed variables, the latent constructs, and the criteria for acceptable model fit. This section also includes a table of correlations for the observed and latent variables, a table showing the magnitude of the effects (loadings) of these variables on the latent factors, the unique effects (U) also called error terms, along with a discussion of the model's implications. The fifth section provides a figure of the full latent variable model (FLV), the analytic procedures and criteria for evaluating goodness-of-fit for the model of Success in Japan, composed of Personal and Company Success as defined by the variables in Table 4. This section also provides a table of the observed variable correlations and a table of the loadings of the observed variables on the Personal and Company Success factors. This is followed by a discussion of the model's implications. The sixth section presents the figure

of the FLV structural model used to link the MCLA model to Success in Japan, along with the descriptions of analytic procedures and the criteria used to determine model fit. This section also includes a table for the correlation matrix of the observed variables, a table of the loadings for the observed and latent variables on each factor and their factor relationships, along with a discussion of the model's implications. The concluding section provides a chapter summary along with an introduction to Chapter 5.

Descriptive Statistics

Tables 5 and 6 provide the descriptive statistics for the observed variables measuring language competence and success. Labeling procedures follow those in Tables 2 through 4; these are continued in Figures 1 through 3 to represent the observed variables in the CFA and FLV models as well. (In all figures "observed" variables are directly measured and denoted by rectangles. "Latent" variables are denoted by circles/ovals. These are inferred from linear combinations of the observed variables.)

Table 5 indicates a broad sampling of the language competence of the AENS business population in Japan, with scores ranging from the potential minimum (1.0) to maximum (4.0) on the self-assessment range. The observed variables representing language skills in Table 5 show a slightly higher mean score for all "receptive" (listening comprehension) as opposed to "productive" (speaking) categories except one. This follows the literature in language acquisition, stating that receptive language skills generally function at a higher level than productive ones.

Table 5: Variables Used to Determine Language Competence Levels of AENS in Japan

Constructs & Variables	Skill	Mean	SD	Med.	Min.	Max.
<u>Illocutionary</u>						
Speech Acts	Productive	2.38	1.12	2.00	1.00	4.00
Speech Acts	Receptive	2.50	1.12	3.00	1.00	4.00
<u>Sociolinguistic</u>						
Register	Productive	2.36	0.93	2.50	1.00	4.00
Register	Receptive	2.36	1.12	2.00	1.00	4.00
Native-like Word Use	Productive	2.16	0.94	2.00	1.00	4.00
Native-Like Word Use	Receptive	2.58	1.07	3.00	1.00	4.00
<u>Grammatical</u>						
Syntax & Morphology	Productive	2.18	0.89	2.00	1.00	4.00
Syntax & Morphology	Receptive	2.19	1.04	2.00	1.00	4.00
Vocabulary Levels	Productive	1.97	0.91	2.00	1.00	4.00
Vocabulary Levels	Receptive	2.24	1.06	2.00	1.00	4.00
<u>Rhetorical</u>						
Rhetorical Complexity	Productive	2.03	0.95	2.00	1.00	4.00
Rhetorical Complexity	Receptive	.98	1.02	2.00	1.00	4.00

Note: "SD" is standard deviation, "Med." for median, "Min." for minimum, and "Max." for maximum.

Table 6 (below) provides the descriptive statistics for the observed variables used to measure Personal and Company Success for the sample population.

Table 6: Variables Used to Determine Personal and Company Success Levels in Japan...

<u>Constructs & Variables</u>	<u>Mean</u>	<u>SD</u>	<u>Med.</u>	<u>Min.</u>	<u>Max.</u>
<u>Personal Success</u>					
Comfort Level Working in Japan	3.27	0.60	3.00	2.00	4.00
Networking with Japanese	2.88	0.82	3.00	1.00	4.00
<u>Company Success</u>					
Company's Revenue & Prospects	3.25	0.75	3.00	1.00	4.00
Success, Hiring Quality People	3.29	0.73	3.00	1.00	4.00
Success, Workplace Policies	3.25	0.71	3.00	1.00	4.00

Table 6 indicates that the respondents' mean score for measures of success are quite high, with a lower mean and larger variability of scores (standard deviation) on "Professional networking," showing greater variability than that of "Comfort level." This may be an early indicator of hidden influences on professional networking capabilities, so critical to Personal Success in Japan, that are functions of something that goes beyond the ability to work comfortably in Japan and reside for periods long enough to build sufficient professional and social relationships.

The frequency distributions in Table 7 provide a description of the sample population by company type. These were kept as close to the ACCJ listings as possible. The number of respondents for company type in Table 7 meets the usual criterion of three per cell in all but four of the categories; it could further be argued that these smaller

Table 7: Company Types Owned by or Employing the Respondents.

Company Type	N	Percent
Aerospace	2	1.0
Accounting	8	4.2
Auto manufacturing	5	2.6
Computer (hardware)	10	5.2
Computer (software)	3	1.5
Construction (public)	2	1.0
Consulting (business)	19	10.0
Consumer products	24	12.6
Energy (oil, nuclear)	4	2.1
Food & Beverage	7	3.6
Finance & Banking	19	10.0
Health products	3	1.5
Hitech (biotech/engineering)	7	8.9
Heavy Manufacturing (chemicals/steel)	25	13.1
Insurance (life & casualty)	10	5.2
Leisure/Sports (entertainment & fitness)	3	1.5
Media (print/electronic)	3	1.5
Medical (research/practice)	3	1.5
Pharmaceuticals	8	4.2
Publishing	3	1.5
Public Relations	2	1.0
Realty/Development	1	0.5
Telecommunications	4	2.1
Transport (freight/human)	5	2.6

categories, Aerospace, Construction, and Realty could be collapsed into Hitech, Heavy Manufacturing, Finance and so forth. The relative paucity of subjects in some categories occurs due to definitions being kept as close to the original listing as possible, indicating the broad range of industries and services that were available for survey. The large number of respondents in the categories of "consumer products," "consulting," and "finance," reflects the many companies offering products/services listed by the ACCJ.

Table 8 shows the frequencies of foreign language competencies beyond the one-word level for both Asian (including Japanese) and European languages. The "one-word" criterion is necessarily variable itself, but is intended to separate the one-word category or

Table 8: Levels of Language Competence in Asian and European Languages

<u>Type and Number of languages known</u>	<u>N</u>	<u>Percent</u>
<u>European</u>		
No European language skills	16	8.4
One European language	61	32.1
Two other languages	71	37.3
Three other languages	25	13.1
Four or more other languages	17	9.9
<u>Asian</u>		
No Asian language skills	25	13.1
Japanese only	142	74.7
Two other languages	19	10.0
<u>Three or more other languages</u>	<u>4</u>	<u>2.1</u>

bare survival skills, such as "How much?," "Beer please," and "Bathroom?" that might be required by a casual traveler (roughly equivalent to the "0+" score in the ILR guidelines, see p. 15), from competence allowing a businessman to socialize to some degree with foreign compatriots. Table 8 reveals that a large number of individuals in the

Table 9: Years of FL Learning/Training Received in High School, College, and Job

<u>Place/type of learning</u>	<u>N</u>	<u>Percent</u>
<u>High School FL</u>		
No study	64	33.6
One year	11	5.7
Two years	41	21.5
Three years	23	12.1
Four or more years	51	26.8
<u>College FL</u>		
(1) No study	83	43.6
(2) One year	22	11.5
(3) Two years	42	22.1
(4) Three years	15	7.8
(5) Four or more years	26	14.7
<u>Informal Job FL</u>		
1) No study	130	68.4
(2) One year	23	12.1
(3) Two years	13	6.8
(4) Three years	10	5.2
(5) Four or more years	14	7.4

population has skill in foreign languages (FL) primarily European ones. The fact that those with such skills are accounted for by high school or college French, German, or Spanish is consistent with the low number with significant residence in Europe (see Table 10). A greater percentage professed no skill in any Asian language (13%) than in European languages (8.4%).

Table 9 shows the number of years of high school, college, and job/professional foreign language training reported for the sample population. This table reveals that many of the respondents have had no previous formal academic language training in school or as on-the-job training. More reported taking FL in high school (66%) than in college (56%), while the smallest number (31%) reported systematic study of FL at the business level. (Business FL reported here is informal FL learning undertaken by the individual on his own time during employment. The number reporting intensive training specifically for business purposes was minuscule and not included.)

Table 10 provides the frequencies for the respondent's length of residence in Japan, other Asian countries, and Europe, from no residence to more than 20 years. No cases with residence "other Asia" of more than 20 years were reported. This table indicates that the sample is skewed towards shorter periods of residence in Japan, which is consistent with the literature reporting short stays as the norm for the businessman assigned to Japan from the larger companies. This table further shows that few respondents had significant periods of residence in other Asian countries or in Europe. Even so, there is a substantial number (N=45) of "old Japan hands" who have spent more than 10 years in residence.

Table 10: Years of Reported Residence in Japan, Europe, and other Asian Countries

<u>Place of Residence</u>	<u>N</u>	<u>Percent</u>
<u>Japan</u>		
(1) From 6 mos. to 2 years	22	11.5
(2) From 2 to 5 years	69	36.3
(3) From 5 to 10 years	54	28.4
(4) From 10 to 20 years	29	15.2
(5) More than 20 years	16	8.4
<u>Europe (1 missing)</u>		
(1) No residence	137	72.5
(2) From 6 mos. to 2 years	21	11.1
(3) From 2 to 5 years	17	8.9
(4) From 5 to 10 years	7	3.7
(5) From 10 to 20 years	5	2.7
(6) More than 20 years	2	1.0
<u>Other Asia (1 missing)</u>		
(1) No residence	140	74.0
(2) From 6 mos. to 2 years	23	6.4
(3) From 2 to 5 years	21	11.1
(4) From 5 to 10 years	11	5.8
(5) From 10 to 20 years	5	2.7
(6) More than 20 years	0	0.0

Table 11: Business, Professional and Other Academic Degrees Reported by Subjects

<u>Type of degree</u>	<u>N</u>	<u>Percent</u>
<u>Degree type (two missing)</u>		
High school only	3	2.0
B.S./B.A.	44	23.4
Bachelor of Business Administration (B.Ba.)	50	26.5
M.S./M.A.	31	16.5
Master of Business Administration (M.B.A.)	81	43.1
Juris Doctor or other law degree (J.D.)	10	5.0
Ed.D./Ph.D.	10	5.0

Note: Many respondents reported more than one degree, with frequent crossovers between degree types. The numbers reported above are absolute values, with 2 respondents not reporting degrees.

Table 11 gives the frequency of business/professional and other academic degrees among the sample population. While many respondents listed both business, professional, and/or other academic degrees, it was decided to keep the tables separate for clarity. Those who responded as not completing high school (N=2) were grouped with the high school diploma only group (N=1). Subjects who received degrees from other university systems (e.g., the English educational system's A.B.) were awarded the American academic equivalent. The number reporting M.B.A. degrees includes those with Master's in International Management (N=2), those who were Certified Public Accountants (N=8), and a specialized post-baccalaureate degree awarded for the insurance industry (N=5). This table shows that a substantial portion of the subjects have specialized business

degrees (B.Ba. or M.B.A.) with a sprinkling of doctorates, most of the latter in natural or physical sciences, from respondents in Heavy Manufacturing or High Tech categories.

Table 12: Subjects having Familial/Marital Relations with Japanese or other Asians

<u>Status or Relationship</u>	<u>N</u>	<u>Percent</u>
<u>Married</u>		
Yes	166	87.3
No	24	12.6
<u>Familial/Marital Relationship</u>		
<u>with a Japanese?</u>		
Yes	58	30.5
No	132	69.4
<u>Familial/Marital Relationship</u>		
<u>with a Japanese-American?</u>		
Yes	9	4.7
No	181	95.2
<u>Familial/Marital Relationship</u>		
<u>with another Asian?</u>		
Yes	8	4.2
No	182	95.7

Table 12 shows the marital status and familial relationships of the sample subjects. Only one case had both Japanese and Japanese-American familial or marital relationships, probably due to having in-laws who had immigrated to the U.S. This table shows that 87%

of the respondents were married, with 46% of the married respondents having a marital or familial relationship (such as in-laws) with a Japanese, Japanese-American, or other Asian.

Table 13 provides the frequencies of the age and country of citizenship of the sample population. These grouping are based on theory in Applied Linguistics concerning linguistic flexibility and also upon possible business career stages. Table 13 shows the

Table 13 : Age and Country of Citizenship Characteristics for the Sample

<u>Age or Citizenship</u>	<u>N</u>	<u>Percent</u>
<u>Age</u>		
25-35 years	7	3.6
36-45 years	55	28.9
46-55 years	71	37.3
56-65 years	47	24.7
66+ years	10	5.2
<u>Citizenship</u>		
U.S.A.	173	91.0
Canada	1	0.5
U.K.	11	5.7
New Zealand	2	1.0
<u>Australia</u>	<u>3</u>	<u>1.5</u>

age of the subjects to be almost normally distributed as categorized. Those in age category "66+ years" were all from the "more than 20 years" residence category in Table 10. The country of citizenship of the respondents is overwhelmingly the United States, with fewer

than 10% from other native English-speaking countries. This indicates that the sampling pattern, initially aimed at Americans, was reasonably on target.

Confirmatory Factor Model Definition/Analysis:

Modified Communicative Language Ability Model

Model definition. The CFA model (see Figure 1 and Table 15) was designed using the Bachman and Palmer (1989) and Bachman (1990) models as a foundation. This Modified Communicative Language Ability Model (MCLA) allows for correlated but not identical Difficulty and Recognition test method factors, labeled as Productive and Receptive Skills (see Chapter 3, p.35). The Bachman and Palmer (1989) model factor design had three test method factors, Ability, Difficulty, and Recognition; two of these, Difficulty and Recognition, were combined into a single test method factor. The MCLA model holds Productive Skills (difficulty) and Receptive Skills (recognition) separate but correlated. Bachman and Palmer's (1989) findings indicated weak predictive power for the "Ability" test method factor, so this was omitted from the MCLA model. The MCLA model design proposes a bifactor model, the least restricted among common hierarchical factor models (Rindskopf and Rose, 1988). This is also the base model design used by the Bachman and Palmer (1989) model, which provided the source for 10 of 12 observed language competence variables. The MCLA bifactor model requires three uncorrelated language traits: (a) General Language Competence, predicted by all the measured variables, (b) Organizational Competence, predicted by the six variables measuring grammatical and rhetorical competence, and (c) Pragmatic Competence, predicted by the six variables measuring illocutionary and sociolinguistic competence. Two correlated skill

traits will provide the basis for the multitrait-multimethod (MTMM) construct validation process in the MCLA model.

Interpreting factor loadings and error terms. All one-way (unidirectional) arrows originate with independent latent traits and point to dependent observed variables. This indicates that the observed variables are attributable to or “caused” by the underlying traits. For example, General Competence is the source of 12 unidirectional arrows, one to each of the measured variables. The magnitude or strength of the “factor loadings” on each arrow shaft indicates the square root of the percentage of the variance (from -1.0 to + 1.0) for each observed variable as it is “caused” by or attributable to the latent trait. For example, the relative strength of the loadings for General Competence, the smallest being .58 (Register & honorifics, productive) and the largest .94 (Vocabulary levels, receptive), supports the hypothesis that all 12 measured variables are part of General Competence, with Vocabulary levels almost a pure measure of the MCLA model’s General Competence. The error terms, that part of the variance in a measured variable not explained by the theoretical relationship, are shown as “E” for dependent observed measured variables. The corresponding “D” for dependent latent variables, where arrows point to instead of away from a factor, represents a part of the variance not explained by one or more other latent traits. When the error terms (E or D) and factor loadings are squared, these show the relative amounts of the variance accounted for by the error term and factor loading(s). When added together, these squared factor loading(s) and error terms equal 1.00 for observed variables, and at least 1.00 for higher-order factors. (These

higher-order factors can be hypothesized to be the source of or “cause” other factors). For the Vocabulary, receptive variable, the factor loading on General Competence of $.94^2 = .88$, the size of the error term of $.34^2 = .11$, and the factor loading on Receptive Skills of $.09^2 = .01$ (all rounded to the nearest decimal). Summing $.88 + .11 + .01$ equals 1.00. All independent latent variables are assumed to be measured without error and have their values preset to 1.00. In regression terms these factor or path loadings would be called *Beta* weights, the standardized regression coefficients. Tables 15, 17, and 19 provide the factor loadings for Figures 1 through 3 respectively. The tables have the error terms designated as “U².” The error, either “E” or “D” in the figures represents the unique variance in a variable that cannot be explained by its relationship to the latent trait(s). For example, E38, the error term for the dependent variable Rhetorical complexity, productive, with a loading of 0.0 contains very little error, and is “constrained at lower bound” (0.0) by EQS for computational/theoretical reasons (Bentler, 1992). The variance of this measured variable can be explained by a combination of General Competence, Organizational Competence, and Productive Skills [$(.87^2) + (-.38^2) + (.30^2) = .99$]. On the other hand, E31 (Register & honorifics, productive) with an error term of .64, cannot be well-explained by the combination of General Competence, Pragmatic Competence, and Productive Skills; slightly more than .40 of the variance is unaccounted for. In the extreme case, this may represent another unsuspected language factor.

Assessing the validity of the MCLA model. The next question concerns the validity of the MCLA Model. The MTMM methodology does provide support for

construct validity when a particular hypothesized model structure is confirmed. The ways for testing hypothetical models for “goodness-of-fit” were explained in Chapter 3; these “fit statistics” show the extent to which the models in Figures 1 through 3 accurately describe the data that represent the sample population. The key indicators of a good fit are the: (a) number of iterations, the cycles needed to estimate the model (30 or fewer), (b) the “H₀” model, the one projecting that the hypothesized model does fit the data, with standardized residuals generally between +.10 and -.10, which should exhibit a conservative χ^2 to degrees of freedom ratio less than or equal to two ($\chi^2/df \leq 2.00$), (c) a Satorra-Bentler (SB) scaled *p* value greater than or equal to .05 (*p* \geq .05), and (d) the BBNFI, (e) BBNNFI, and (f) CFI greater than or equal to .90. Four out of five of the fit indices (b) through (f) must meet or exceed the fit criteria to deem the model acceptable.

MCLA model: Findings. The iterative process converged after 23 iterations, providing an independence (H_A) model χ^2 of 2901.00 @ 66 df, with the H₀ model χ^2 of 40.24 @ 29 df. This estimation provided a standard *p* value of 0.08, and an SB scaled χ^2 of 5.86 and *p* value of 1.00. The standard χ^2 to df ratio (χ^2/df) of 1.39, BBNFI of 0.98, BBNNFI and CFI of 0.99 all indicated an acceptable fit of the MCLA model to the data. The a priori specified conditions were met, with no preset parameters to cloud theoretical issues, even though two error variances, Rhetorical complexity, productive and Grammar usage, receptive, were constrained at the lower bound (0.0) during computation. All factor variances were set at 1.0 to provide standardized parameter estimates. The language trait factors, General Competence, Pragmatic Competence and Organizational

Competence are all specified as uncorrelated, as in the case of the Bachman and Palmer (1989) model. No difficulties with linear independence or model identification problems appeared. No standardized residuals were greater than 0.04 or less than -0.04, all falling approximately equally around the zero point. Table 14 provides the correlation matrix generated from the raw data by EQS, with the means and standard deviations at the bottom.

MCLA model: Discussion. The model (Figure 1) indicates significant paths for the General factor loadings, all greater than 0.70 except Register & honorifics, productive, .58. This smaller loading, with its corresponding high error variance (.64) indicates that the question concerning difficulty in using register is apparently not well measured by the observed variable (see above explanation on interpreting factor loadings). This variable's complementary measure, Register & honorifics, receptive, shows much less error (.36). The Pragmatic loadings are generally low, none exceeding 0.40, with three significant at the $p < .05$ level. This indicates that the observed variables show only a small amount of extant Pragmatic Competence as a trait distinct from General Competence. For example, the non-significant loading at 0.08 on Native-like word use, productive, apparently indicates the question is not distinguishing difficulty or skill level with natural or native-like words as other than part of General Competence, where its loading is .74.

The Organizational Competence loadings are all non-significant. This indicates that the observed variables are not measuring extant Organizational Competence as it exists distinct from General Competence. All Productive Skills have significant loadings on all their measured variables. Only Grammar usage was significant among the receptive

skill paths. These non-significant loadings on the Organizational trait indicates that it is not discriminating a skill application from General Competence.

The results of the model estimation indicate a strong General language factor and weak Organizational and Pragmatic traits; this signals that a higher-order factor (HOF) model may provide a better explanation of the data. Several of these models were tried, giving present values for different paths from the first-order latent traits, Organizational and Pragmatic Competence, to the measured variables. Paths were then drawn from a new higher-order independent factor labeled General Competence, to the isolated Organizational and Pragmatic Competence factors, while allowing for correlated Productive and Receptive Skill factors. This model proposed that a single latent trait is responsible for the language competence measured by the observed variables and manifested by separate trait factors. These HOF models did not “identify” correctly. (This means there was no “unique” solution to the problem discovered by this researcher; this is a prerequisite for accepting a model’s viability.)

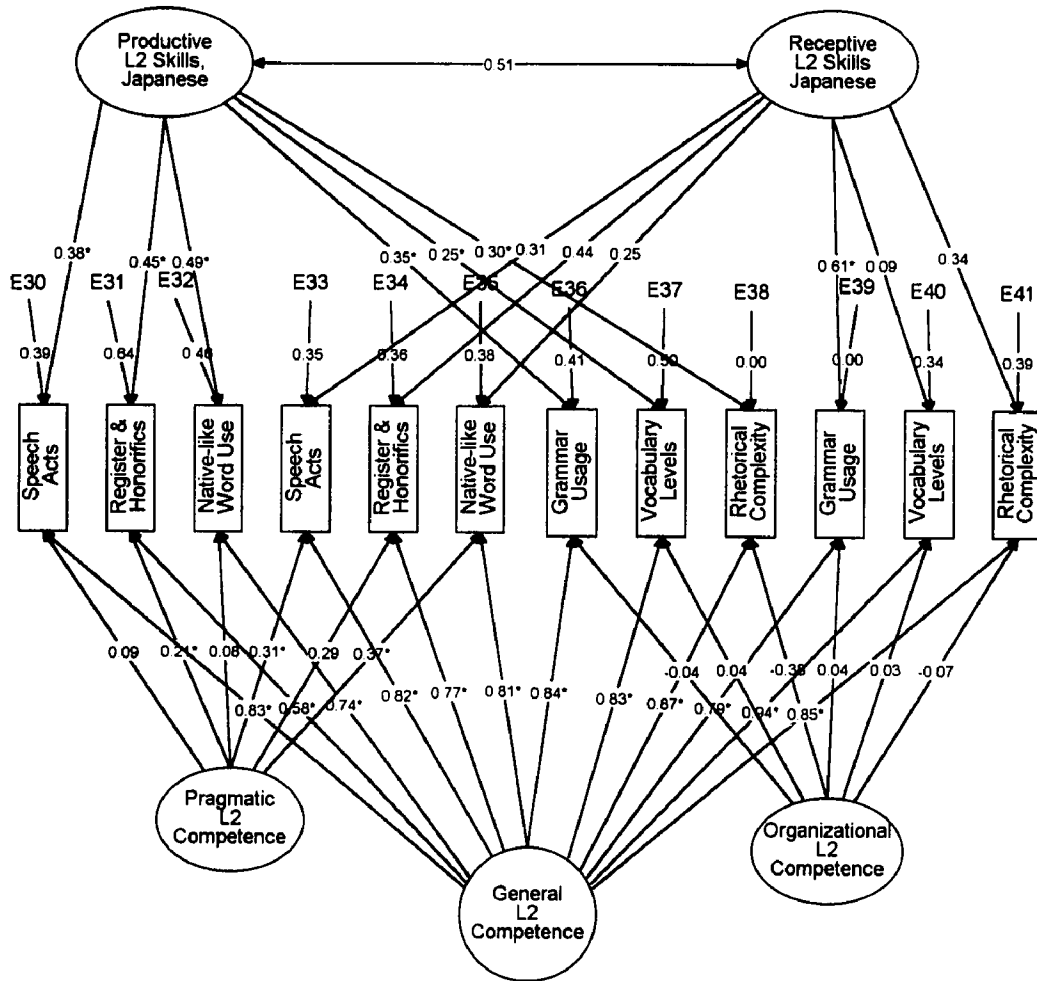
The large number of statistically non-significant relationships between the observed variables and Organizational and Pragmatic Competence traits in the MCLA model resulted partially from the conservative estimates of the true relationships (larger standard errors of estimation) used in the robust ML estimation method in EQS. The non-significant correlation of .51 between the Productive and Receptive skill factors is due to all the loadings of the observed variables on Receptive skills being declared statistically non-significant. Several more parsimonious models were attempted to determine if the Skill traits should remain correlated, including the MCLA bifactor model with

Table 14: Correlation Matrix of Variables Used for Confirmation of MCLA Model

*	(30)	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)
Speech Acts	1.00											
Register	0.66	1.00										
Native-like	0.82	0.66	1.00									
Speech Acts	0.75	0.58	0.71	1.00								
Register	0.74	0.64	0.67	0.86	1.00							
Native-like	0.77	0.63	0.71	0.86	0.83	1.00						
Grammar	0.83	0.66	0.78	0.74	0.73	0.74	1.00					
Vocabulary	0.78	0.60	0.69	0.70	0.69	0.70	0.80	1.00				
Rhetorical	0.83	0.63	0.80	0.75	0.73	0.76	0.85	0.78	1.00			
Grammar	0.76	0.61	0.73	0.84	0.87	0.79	0.76	0.74	0.76	1.00		
Vocabulary	0.79	0.57	0.70	0.80	0.76	0.77	0.79	0.78	0.81	0.79	1.00	
Rhetorical	0.77	0.57	0.74	0.81	0.79	0.75	0.77	0.75	0.82	0.87	0.82	1.00
Mean	2.38	2.36	2.16	2.50	2.36	2.58	2.18	1.97	2.03	2.19	2.24	1.98
SD	1.12	0.93	0.94	1.12	1.12	1.07	0.89	0.91	0.95	1.04	1.06	1.02

Note: * Indicates the numbering of the observed variables in the figures as designated by the "E" which represents the unique (U^2) or error variances.

Figure 1: Modified Communicative Language Ability Model, ML Robust Estimation



EQS Summary Statistics

Method:	ML ROBUST
Chi-Square:	40.23
df =	29
pvalue =	0.0802
BBNFI =	0.986
BBNNFI =	0.991
CFI =	0.996
SB Chi-Square:	5.86
SB pvalue =	1.0000

Table 15: Parameter Estimates for the MCLA Model with Factor Correlations and Error Terms

<u>Variables</u>	<u>General L2</u>	<u>Organizational L2</u>	<u>Pragmatic L2</u>	<u>Productive</u>	<u>Receptive</u>	<u>(U²)</u>
Speech Acts	.83*		.09	.38*		.39
Register & Honorifics	.58*		.21*	.45*		.64
Native-like Word Use	.74*		.08	.44*		.46
Speech Acts	.82*		.31*		.31	.35
Register & Honorifics	.77*		.29		.44	.36
Native-like Word Use	.81*		.37*		.25	.38
Grammar Usage	.84*	-.04		.35*		.41
Vocabulary Levels	.83*	.04		.25*		.50
Rhetorical Complexity	.87*	-.38		.31*		.00
Grammar Usage	.78*	.04			.61*	.00
Vocabulary Levels	.94*	.03			.09	.34
Rhetorical Complexity	.85*	-.07			.34	.39
<u>Factor Relationships</u>				X <-- .51	--> X	

Note: Bi-directional arrows indicate correlations. * Indicates statistically significant parameters at p<.05 level. U2 is the unique variance (given as E or D in the figures/models) for an observed variable or dependent factor.

uncorrelated traits and a single general language factor (G) model, such as that first proposed by Spearman (1904), with both correlated and uncorrelated Skill traits. None of the alternate model solutions provided an acceptable fit of the model to data.

Even small loadings on the Organizational and Pragmatic language traits in the MCLA bifactor model can provide information about extant language competencies in the sample. Significant positive loadings on specific language traits indicate that these particular types of language competencies are present in the population. Given that half of the factor loadings on Pragmatic Competence trait are significant (if somewhat small), this indicates the presence of Pragmatic Competence existing distinctly from the General Competence in the sample. This may support the literary sources' comments on the need for Pragmatic Competence distinct from General Competence for AENS businessmen in Japan when language competence is modeled with business success. Using Japanese for asking favors, applying proper forms of address through register in a business situation and understanding native-like words/expressions appear as distinct if weak parts of a separate Pragmatic trait for AENS in business in Japan.

Non-significant, zero, or negative loadings from Organizational Competence to all observed variables traits fail to provide evidence of a separate trait for Organizational Competence in the AENS business population in Japan. Five non-significant loadings and one negative loading indicate that, while the factor may exist separately (perhaps as a "placeholder"), it has little distinction or impact in this dataset.

Summary. The MCLA bifactor model does fit the data drawn from the sample population, providing partial confirmation of the model's construct validity, except in this

case, Organizational Competence cannot be distinguished from General Competence. Other, more restrictive factor models suggested by the MCLA model's estimated relationships between factors could not be confirmed by this researcher. The MCLA model results are consistent with the findings in the Bachman and Palmer (1989) model, with the one major difference being the statistically non-significant correlation of Productive and Receptive skills. This is attributable to the robust statistical estimation of the Satorra-Bentler method (which results in a larger, more conservative standard error of measurement for computation of statistical significance). However, the .51 correlation between the two factors is of practical significance; this finding supports the literature in Applied Linguistics about the relatedness of Productive and Receptive Skills and should not be rejected on statistical reasons alone. The similarities to the results of the Bachman and Palmer (1989) model are:

- The observed variables load most heavily on General Competence.
- The Productive and Receptive Skills are highly correlated.

The MCLA model further indicates different levels of extant competencies for specific language traits distinct from General Competence in the sample:

- Pragmatic Competence does exist as a distinct trait, independent of General Competence, with three paths to observed variables statistically significant,
- Organizational Competence cannot be identified as a distinct trait independent of General and Pragmatic Competence, with no statistically significant paths to any observed variable.

These findings indicate some support for a separate Pragmatic Competence trait for AENS in business in Japan, as this trait appears as a distinct if weak entity independent of General Language Competence. However, General Competence is by far the most strongly represented among the language traits in the sample.

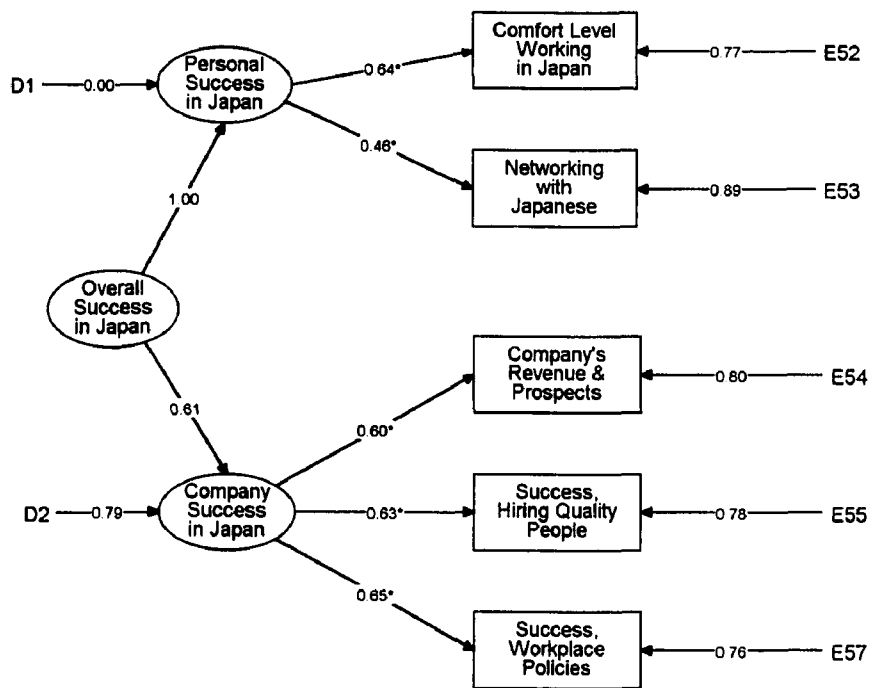
Structural Model Definition/Analysis:

Overall Success in Japan Model

The observed variables for the full latent variable model attempting to capture business success were chosen in accordance with the advice of Boye De Mente and the literary sources as predictive of Personal and Company Success in Japan. Networking with Japanese professionally was considered a prime indicator of both potential and actual success, as the literature indicated that personal contacts lead to the business relationships supporting success. Comfort level working in Japan also contributes to success in that it provides a reservoir of patience and tolerance for bearing up under setbacks while doing business with Japanese. Definitions of Company Success relied on three indicators which were chosen as giving an idea of actual performance in Japan, while not being too invasive of company secrets: Company revenue and prospects, Success in hiring quality people, and Success with workplace policies. All the literature supported the notion that quality local employees would promote success in the long term. Also, designing and implementing successful company policies that would satisfy both local conditions and multinational priorities would test long-term company adaptability.

This model specification process was exploratory and a higher-order factor (HOF) model called "Overall Success in Japan" was selected as the best model of those tested,

Figure 2: Overall Success in Japan Model, Personal/Company Success



EQS Summary Statistics

Method: ML ROBUST
 Chi-Square: 4.02
 df = 6
 pvalue = 0.6739
 BBNFI = 0.968
 BBNNFI = 1.029
 CFI = 1.000
 SB Chi-Square: 1.22
 SB pvalue = 0.9756

partially due to the ease of assessing this model for possible existing direct effects of language competence on Personal and Company Success. The paths designated by a “D” in Figure 2 for the Company Success and Personal Success factors indicate the unique error variance portion of the factor variance not explained by the observed variables and the dependent/independent constructs in the HOF Overall Success in Japan model.

Overall Success in Japan model: Findings. The iterative process converged after 5 iterations, providing an independence model (H_A) χ^2 of 123.99 @ 10 df, with the (H_0) model χ^2 of 3.46 @ 4 df, providing a standard p value of 0.48 and an SB scaled χ^2 of 1.22 and p value of .96. The χ^2 /df ratio of 0.67, a BBNFI of 0.97, a BBNNFI of 1.03, and a CFI of 1.00 all indicated an acceptable fit of the model to the data. The model required fixing all paths from the observed variables to the first-order factors, Personal Success and Company Success, to prevent model identification problems. The Success in Japan factor variance was initially set at 1.0 to provide linear independence and standardized estimates. No standardized residuals were greater/less than +0.01 to -0.01. A correlation matrix for the model is provided in Table 16.

Overall Success in Japan Model: Discussion. The model (Figure 2 and Table 17) shows significant loadings on all variables for their specific factors. The path from Overall Success in Japan to Personal Success reveals a perfect 1.0 relationship between the two, with the latent variable error term or “Disturbance,” constrained at 0.0. This absence of error indicates that Success in Japan can be perfectly predicted from Personal Success in this model. Constrained error terms do not usually represent model misidentification

when no linear dependencies or convergence difficulties occur (Peter Bentler, personal communication, May 21, 1995) so the “zeroing out” of the disturbance term is acceptable. The path from Success in Japan to Company Success shows a .61 loading , or that .37 of the variance in Company Success is attributable to Personal Success.

Table 16: Correlation Matrix for the Overall Success in Japan Model

Observed Variables	(1)	(2)	(3)	(4)	(5)
Comfort level	1.000				
Networking	0.293	1.000			
Company revenue	0.278	0.161	1.000		
Success, hiring	0.209	0.181	0.392	1.000	
Success, policies	0.285	0.135	0.347	0.441	1.000
Means	3.270	2.880	3.250	3.290	3.250
S.D.	0.600	0.820	0.750	0.730	0.710

This indicates a variance greater than 1.0 for the HOF Overall Success in Japan construct, an occurrence not uncommon in HOF models (Peter Bentler, personal communication, May 21, 1995). Comfort level shows a strong correlative relationship to the observed variables for Company Success (see Table 16). However, all FLV models (language competence ---> success) tried by this researcher linking Comfort level to Company Success as well as to Personal Success resulted in linear dependencies, making the solution untrustworthy. One FLV model specifying a one-way causal arrow linking

Table 17: Factor Loadings/Relationships for the Overall Success in Japan Model

Success Constructs	Personal	Company	Overall Success
<u>Success Variables</u>			(U ²)
Comfort Level	.64*		.77
Networking	.46*		.89
Company Revenue		.60*	.80
Success, Hiring		.63*	.78
Success, Policies		.65*	.76
<u>Factor relationships</u>			
		.61* <----- XX	.79
	1.0* <----- XX		.00

Note: A unidirectional arrow indicates a causal relationship with a factor loading magnitude. * Indicates statistically significant relationships at p<.05 level. U² is the unique variance for each observed variable or dependent factor (given as E or D in the figures for observed and latent variables respectively).

Personal to Company Success (Personal Success --->Company Success) did not have any problems with linear dependencies or error constraints. Yet it would be impossible to use this model in the hypothetical causal linking of General, Organizational, or Pragmatic Competence to dependent latent traits measuring Personal or Company Success (Competence ---> Success), due to Personal Success being defined as an independent construct. A correlated independent traits model of Success in Japan (Personal Success <--->Company Success) had acceptable fit indices producing a solution equal to the Overall Success in Japan model, but would not allow the combined MCLA and Success in Japan (competence --> success) to be linked for the same reasons. These hypothetical causal links are important for determining the direct unidirectional relationships of language

competence to success, so the HOF model of Success in Japan was chosen as the model of best fit to combine with the MCLA model in the next section of this chapter.

All factor loadings on the observed variables but one are greater than 0.50 (Networking with Japanese), indicating moderately strong indicators of the factors. The discordant notes are the large error variances for the observed variables (all greater than 0.70) indicating a large amount of variance, greater than 50%, unaccounted for in the model when defining concepts like Personal or Company Success from a limited number of indicators.

Summary. The Success model hypothesized for the population has an acceptable fit as demonstrated by the fit indices, even when allowing for the large error variances. The difficulty with Personal Success being a perfect (1.00) indicator of Overall Success in Japan, with Company Success having a much smaller loading on Overall Success in Japan (.61) is the best compromise model that can be fit to the sample. Several other models, better representing the patterns of the surface relationships between observed variables, were rejected due to linear dependencies, or inapplicability of the resultant model to the Combined MCLA and Personal and Company Success model. This compromise model's acceptability is supported by the following:

- All observed variables load at greater than .40 on their given construct.
- The role of Personal Success in Company Success through the HOF labeled as Success in Japan is quite strong (accounting for approximately .35 of the variance in the Company Success construct).

This model can now be linked to the MCLA model to determine the structural relationships between language competence and business success. Part of the error variance in the latent trait Company Success may now be explained by the underlying role of language competence in business success in Japan.

Structural Model Definition/Analysis:

Combined Language/Success Model

The full latent variable model in Figure 3 was designed as a straightforward combination of the full MCLA model and the Success in Japan Model, maintaining the MCLA model's full bifactor structure (see Figure 1) and the Success in Japan model's higher-order factor structure (see Figure 2). The model in Figure 3 is the result of several modifications of the MCLA model's links to the factors of Overall Success in Japan, Personal Success, and Company Success, representing the model of best fit, with one statistically non-significant path between the two models remaining for purposes of model identification. A correlation matrix of the observed variables with means and standard deviations is presented in Table 18. Table 19 presents a table of the factor loadings and relationships of the observed and latent variables. An initial review of the correlation matrix shows low and even negative relationships between the variables defining language competence and success. The resulting Combined MCLA and Overall Success in Japan model (hereafter referred to as the "Combined Model") provides a somewhat different picture. Changes in the loadings and strengths of factor relationships between the separate models presented in Figures 1 and 2 must now be explained for the combined model in Figure 3.

Combined Model: Findings. Figure 3 represents the model of best fit statistically, while presenting some theoretical surprises. The Combined Model iterative process converged after 15 iterations, providing an independence model (H_A) χ^2 of 3156.29.68 @ 136 df, with the (H_0) model χ^2 of 138.28 @ 90 df, providing a standard p value $<.001$, an SB scaled χ^2 of 49.98 and p value of .99, a χ^2 /df ratio of 1.54, a BBNFI of 0.956, a BBNNFI of 0.976, and a CFI of 0.984. No problems with linear dependencies were encountered indicating misidentification, with two error variances from the observed variables, Grammar usage, receptive and Register & honorifics, receptive zeroing out at lower bound. (Grammar usage, receptive is apparently almost a pure measure of General Competence.) One Disturbance term (error variance) for the latent trait Personal Success was also constrained at lower bound. Seventeen of 153 standardized residuals now fall outside the +0.1 to -0.1 optimal range, with five measuring between 0.2 and 0.1 and twelve measuring from -0.2 to -0.1., indicating relatively minor misfits between the hypothesized model and the sample data.

Discussion

There are two issues here, (a) how much direct or indirect impact does Language Competence have on Personal and Company Success and (b), what sort of competence, Organizational or Pragmatic, as demonstrated by the observed variables, has a greater role in language competence as it relates to business success? These questions are examined in separate subsections for clarity.

Table 18. Correlation Matrix of Variables Used in the Combined Model with Means (Mn) and Standard Deviations (Sd)

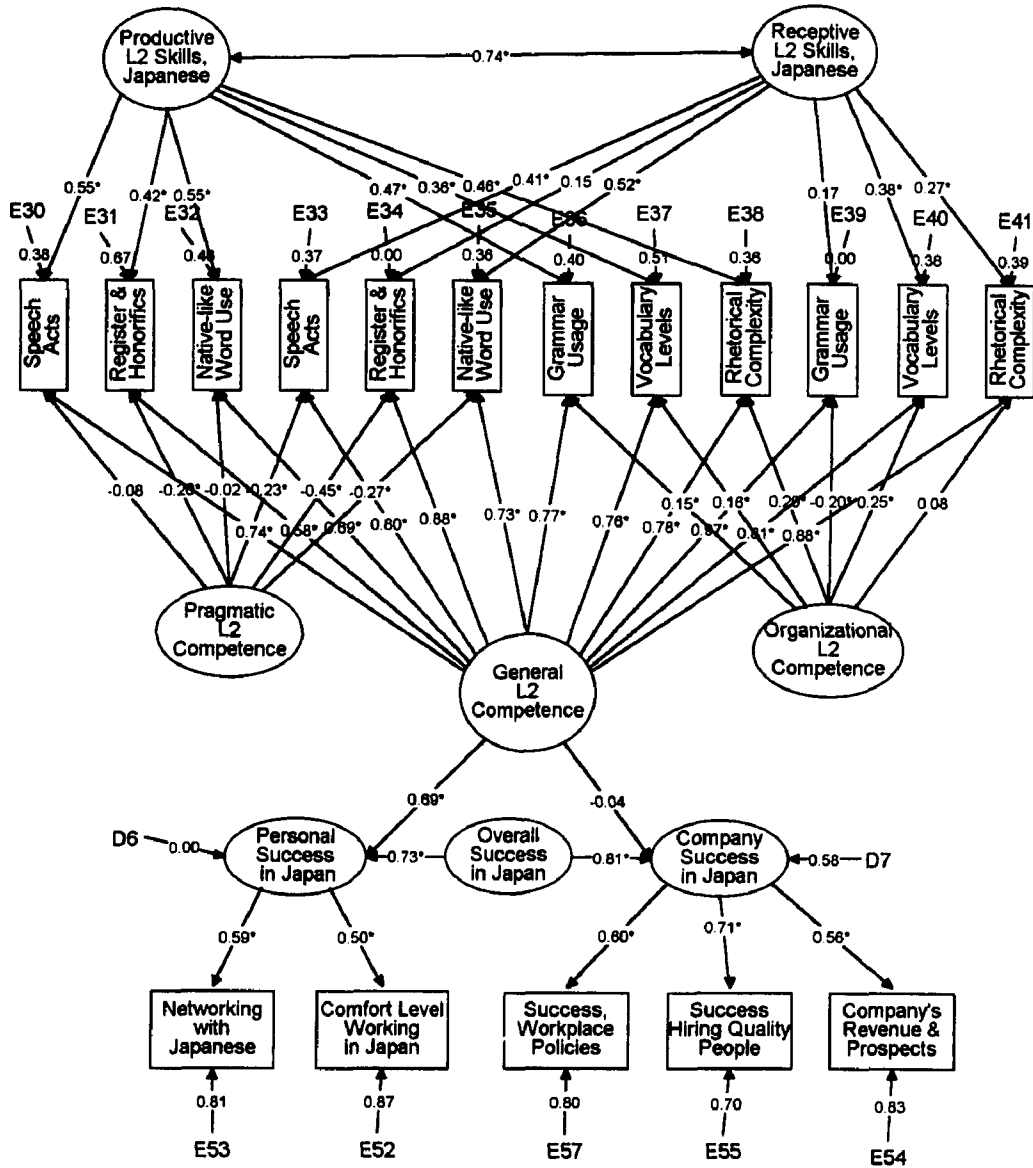
Variable (See Note)	30	31	32	33	34	35	36	37	38	39	40	41	52	53	54	55
30	1.000															
31	0.666	1.000														
32	0.823	0.665	1.000													
33	0.757	0.583	0.710	1.000												
34	0.748	0.647	0.679	0.868	1.000											
35	0.777	0.635	0.715	0.864	0.836	1.000										
36	0.836	0.660	0.783	0.741	0.734	0.745	1.000									
37	0.783	0.605	0.698	0.701	0.698	0.706	0.804	1.000								
38	0.837	0.631	0.806	0.755	0.739	0.763	0.856	0.785	1.000							
39	0.769	0.613	0.736	0.846	0.878	0.792	0.766	0.748	0.768	1.000						
40	0.799	0.573	0.700	0.808	0.763	0.773	0.793	0.787	0.817	0.791	1.000					
41	0.775	0.571	0.740	0.810	0.794	0.758	0.776	0.754	0.826	0.876	0.828	1.000				
52	0.011	0.059	0.075	0.195	0.250	0.137	0.066	0.152	0.107	0.257	0.131	0.198	1.000			
53	0.397	0.271	0.420	0.382	0.414	0.381	0.372	0.408	0.373	0.452	0.378	0.428	0.308	1.000		
54	-0.040	-0.076	-0.002	0.038	0.002	0.062	-0.067	0.034	0.004	0.014	0.053	0.033	0.293	0.154	1.000	
55	-0.130	-0.158	-0.114	-0.087	-0.097	-0.040	-0.131	-0.128	-0.112	-0.102	-0.064	-0.058	0.209	0.185	0.385	1.000
57	0.010	-0.027	0.039	0.030	0.039	0.017	0.015	-0.008	0.014	0.076	-0.003	0.078	0.285	0.137	0.350	0.472
Mn	2.38	2.36	2.16	2.50	2.36	2.58	2.18	1.97	2.03	2.19	2.24	1.98	2.88	3.27	3.25	3.44
Sd	1.12	0.93	0.94	1.12	1.12	1.07	0.89	0.91	0.95	1.04	1.06	1.02	0.82	0.60	0.75	0.64

Note: The numbers denoting the variables in this table refer to the observed variables as specified by the numbers of the "E" or error terms in Figures 1 through 3 in Chapter 4. The last correlation of 1.00 between variable 57 and itself has been omitted to save space.

Discussion: The impact of language on success. Neither Organizational nor Pragmatic Competence shows any direct or indirect influences on the HOF Overall Success in Japan, or any of that model's first-order factors, Personal or Company Success. A direct path from General Competence to the HOF Overall Success in Japan did not provide an identified solution. However, General Competence, its factor loadings revealing it as nearly equally constituted of the observed variables assumed to measure Organizational and Pragmatic Competence, shows a large direct positive role in Personal Success (.69), while indicating a statistically non-significant direct influence on Company Success (-.04). General Competence, as .48 of the variance in the factor representing Personal Success, does exhibit an indirect role in the HOF Overall Success in Japan, providing .25 of the .53 total variance that Personal Success contributes to Overall Success in Japan. Company Success contributes .65 of the variance to Success in Japan, for a total factor variance of Overall Success in Japan of 1.17. (Having the variance in an HOF solution exceed 1.00 is not unusual, Peter Bentler, personal communication, May 21, 1995.) This shows that General Competence indirectly contributes .29 to the variance of Success in Japan, or 25% of the total variance in this higher-order construct. This shows .16 of variance for the path leading from Overall Success in Japan to Company Success.

Discussion: Components of language competence. General Competence provides the only direct influence on Overall Success in Japan through the Personal Success factor; initial model examinations using paths drawn from the Organizational and Pragmatic Competence traits to the Personal and Company Success proved non-significant.

Figure 3: Combined MCLA and Overall Success in Japan Model



EQS Summary Statistics

Method: ML ROBUST
 Chi-Square: 151.30
 df = 90
 pvalue = 0.0001
 BBNFI = 0.952
 BBNNFI = 0.969
 CFI = 0.980
 SB Chi-Square: 72.38
 SB pvalue = 0.9130

Table 19: Factor Loadings/Relationships for Combined Model of General Language Competence and Overall Success in Japan

Variables	Gen.	Prag. L2	Org. L2	Prod.	Recep.	Persucc	Cosucc	Overall	(U2)
Speech Acts	.74*	-.08		.55*					.38
Register & Honorifics	.58*	-.20*		.42*					.67
Native-like Word Use	.69*	-.02		.55*					.46
Speech Acts	.80*	.23*			.41*				.37
Register & Honorifics	.88*	-.45*			.15				.00
Native-like Word Use	.73*	-.27			.52*				.36
Grammar Usage	.77*		.15*	.47*					.40
Vocabulary Levels	.76*		.16*	.36*					.51
Rhetorical Complexity	.78*		.20*	.46*					.36
Grammar Usage	.97*		-.20*		.17				.00
Vocabulary Levels	.81*		.38*		.38*				.38
Rhetorical Complexity	.88*		.08		.27*				.39
Networking						.59*			.81
Comfort level in Japan						.50*			.87
Company Revenue							.56*		.83
Success, Hiring							.71*		.70
Success, Policies							.60*		.80
Factor Relationships	X <--- .74* ---> X						X <---.81*--- X	X	.66
	X-----		.69*				>X<-----	X	.75
	X-----		-.04				>X-----	X	

Note: "Gen." is General Competence, "Prag." is Pragmatic Competence, "Org." is Organizational Competence, "Prod." is Productive Skills, "Recep." is Receptive Skills, "Cosucc" is Company Success, "Persucc" is Personal Success, and "Overall" is Overall Success in Japan. The "X" represents a given factor in a relationship. Unidirectional arrows indicate an attributive/causal relationship. Bi-directional arrows indicate factor correlations. * Indicates statistically significant relationships at the p<.05 level. "U²" is a measured variable or latent traits unique or error variance.

While there are no significant direct impacts of either Pragmatic or Organizational Competence on Personal or Company Success, the paths of the residual language trait factors will provide clues to their roles in General Competence. (Residual trait in this case does not mean error, rather the portion of any measured variable for a language trait not contributing to General Competence and its effects on Personal and Company Success.)

The paths on all parameters from the observed variables to General Competence fall within a relatively narrow range, Register & honorifics, productive, being the lowest at .58, while Grammar usage, receptive, is the highest at .97. This indicates that the latent construct is almost equally well represented by the observed variables, even though Register & honorifics, productive, has a high error term (.67), marginally higher than its error shown in Figure 1 (.64), in the CFA model. All but one of the paths to the observed variables from Organizational and Pragmatic Competence are approximately equal to those in Figure 1, while the observed variables for both the Organizational and Pragmatic Traits predicted by Receptive Skills generally decrease slightly in magnitude, while all the loadings associated with Productive Skills increase. Of further interest to the research question is to try to assess the relative presence of the specific language traits for the sample population in the Combined Model; this can be done by examining the residual parameters on the Organizational and Pragmatic Competence traits.

The shifting patterns of magnitude for the estimated parameters from the Organizational and Pragmatic traits to the observed variables do not provide a clear picture of the separate roles Pragmatic and Organizational Competence play in the Combined Model. The observed variables that were thought to be measures of Pragmatic

and Organizational traits now reveal the opposite of what was shown in Figure 1, i.e. the paths show residual variance not required to model the influence of General Competence and its direct and indirect effects on Personal and Company Success. An examination of the residuals expressed as loadings from the Pragmatic trait to the observed variables show that all but one are now smaller than the same paths in Figure 1. Conversely, all but one of the paths from the Organizational trait to the observed variables are now larger. These changes are quite small and all paths in Figure 3 from the specific language traits to the observed variables are quite small, so no definitive interpretation of the changes in the factor loadings is possible. The same is true for some of the paths from the Receptive skill traits to the observed variables generally having smaller loadings in Figure 3 than Figure 1, while the reverse is true for the Productive skills, interesting but non-definitive.

The model of Overall Success in Japan does exhibit sharp changes when considered as a function of language competence and compared with the same model in Figure 2. The two paths from Personal Success to the measured variables show what is called a “suppressor effect,” when an external or previously unconsidered variable causes the true relationship between two other measured variables to be suppressed (Astin, 1991). Combining the MCLA and Overall Success in Japan Model has produced some suppressor effects. Networking with Japanese shows an increase in the strength of the relationship of the measured variable to Personal Success, from .46 in Figure 2 to .59 in Figure 3. Comfort level shows an even sharper decrease, from .64 in Figure 2 to .50 in Figure 3. This change in measured variance indicates the relative strength of these variables in Personal Success when the role of language competence in this factor is taken

into account. Company Success also reflects the indirect role of language competence, with the strength of its measured variables increasing or decreasing somewhat, while its Disturbance term has decreased. The path from Company Success to Revenue has decreased from .60 to .56; Success in Hiring has increased from .63 to .71; Success in workplace policies has decreased from .65 to .60. The disturbance term showing the error measuring the path from Success in Japan to Company Success has decreased from .79 to .58, with its complementary increase to .81, now loading on the path to the HOF Overall Success in Japan.

The results of the model estimation imply that language competence has both direct and indirect impacts on the separate aspects of business success, with only suggestive but non-significant patterns generally consistent with the literary sources' emphasis on the need for greater Pragmatic Competence. In summary, the results show:

- Company Success can be predicted to some extent from General Language Competence through its indirect effects, accounting for .16 of the variance in the path from the higher-order factor Overall Success in Japan to Company Success.
- General Competence has a significant direct positive role in Personal Success and an indirect positive effect on the higher-order factor Overall Success in Japan. This indicates that increasing Overall Success in Japan is a function of General Language Competence as well as the measured variables for Personal and Company Success.
- General Competence as defined by the paths from the measured variables shows relatively equal weights for all measures, indicating equally important roles for observed variables originally thought to measure Pragmatic and Organizational

Competence as they contribute to General Competence's direct and indirect influences on Personal and Company Success.

- The paths from Pragmatic Competence to its measured variables have decreased in magnitude in Figure 3 from those in Figure 1. While not statistically significant, this decrease may indicate this separate trait has been more fully absorbed into the relationship of General Competence and Overall Success in Japan, with less unexplained variance remaining.
- The paths from Organizational Competence to the measured variables have increased slightly from Figure 1 to Figure 3. While not statistically significant, this may indicate increasing levels of residual Organizational Competence unnecessary to the role of General Competence in Overall Success in Japan.

Summary

This chapter has presented tables of descriptive statistics defining the sample and these indicate a reasonable sampling of the population. Next, a summary presentation of the strategies for interpreting structural models was provided. The figures, tables, and models for Modified Communicative Language Ability, Success in Japan, and the Combined MCLA and Overall Success in Japan models appeared next. The Combined Model fails to make much of a distinction between Organizational and Pragmatic Competence; both are equally accounted for by General Competence. General Competence shows direct effects on Personal Success and indirect effects on Company Success through the higher-order factor model Overall Success in Japan. The next chapter will present a summary, implications, and suggestions for further research.

CHAPTER 5

Summary, Conclusions, and Suggestions for Further Research

Introduction

This chapter presents a summary of the research, its implications, conclusions, and suggestions for further research. The first section summarizes the research foundations, purpose, and rationale of the study. The second section provides an outline of the research design and methodology. The third section briefly recapitulates the study's findings. The fourth section furnishes an analysis of the implications of the study's findings and conclusions. The concluding section examines the study's limitations and provides suggestions for further research.

Research Foundations

Background of the study. Before the 1970s, the potential benefits of foreign language skills in business remained generally unrecognized both by business and higher education. Communicative competence as a model for language skills has many implications for business education; success in world markets may depend on a working knowledge of foreign languages and cultural preferences.

Purpose. This study focused on determining what model of foreign language skills can usefully serve those American and other Native English Speakers (AENS) who wish to make a career of international business in regions or industries dominated by speakers of Japanese. Foreign language training is usually an afterthought in international business, whether corporate in-house training or in B.Ba/M.B.A. programs at colleges and

universities. Also, not many language programs make the distinction between language and culture; in the case of country like Japan one is inextricably confounded with the other. At the present time, if America's monolingual native English speakers wish to study language to be successful in business, the area of study concentration and the types of language skills to be learned remain poorly defined. Moreover, the core requirements in business education, such as finance, planning, marketing, and management leave little time for foreign language classes as a liberal arts "enriching experience."

Some American businesses do succeed in Japan and certain linguistic/ behavioral factors may contribute to their success. These can be revealed by assessing the successful businessman's language skills and the contributions of linguistic factors to business success, both on a personal and company level.

Rationale. This study addresses the potential language skill needs in business education. There is evidence that foreign language skills are not high on the list of priorities in American business, with a recent survey by a top executive-search firm indicating that fewer than 20% of corporate employers consider foreign language skills important. A great deal of research in Applied Linguistics indicates that cognizance of social-cultural rules for language is a better vehicle for understanding and communication than grammatically correct but culturally improper speech. According to the *Petersen's Guide to Graduate Programs in Business, Education, Health, and Law* (1994), of the 125 institutions offering the International Master's of Business Administration Degree, only 16 require any foreign language courses or competence for degree completion. These students of international business may be missing a critical part of their preparatory work.

Research Methodology

This study utilized an ex post facto correlational design, sometimes called “causal-comparative,” allowing the investigation of the behavior patterns among similar subjects after the behavior has occurred. This is particularly applicable to social science research, which usually observes behaviors in a natural setting, making experimental control difficult. Structural equation modeling, the analytic procedure used in this study, allows one to make testable inferences about relationships among the data. This “modeling” of a specific theory provides statistical controls to substitute for the “true” cause-and effect inference that is obtained under full experimental conditions.

Sample characteristics. The sample was taken from a group of American or other Native English Speakers (AENS) businessmen in Japan, from the membership directory of the American Chamber of Commerce in Japan. All respondents were of executive rank, manager, partner, or higher, thus successful in their chosen field. The sample excluded all language teaching or translation professionals as possibly biasing the data. Likewise, women were excluded due to potentially confounding influences resulting from aspects of Japanese business culture which are biased against women. The final sample size was 190, approximately 50% of the people surveyed.

The descriptive statistics indicate that the business population in Japan is well represented, with the lengths of residence and professional or other academic degrees showing a business community fairly well-balanced between industry and services, “newcomers” and “old Japan hands.” The majority of respondents have professional degrees in business or associated fields such as financial management and law.

Approximately half of the married respondents are married to Japanese, Japanese-American, or other Asian women. This supports sample generalizability to the population of AENS businessmen in Japan.

Instruments and variables. The principal measures used in this study were obtained by a survey questionnaire, which had multiple questions defining the sample demographics and specific queries allowing respondent self-assessment of language abilities and business success. The instrument provided twelve “language competence” (independent) measures as well as five “success” (dependent) measures.

Validity. One important supporting aspect of this research was the multitrait-multimethod (MTMM) approach used to demonstrate the construct validity of the Modified Communicative Language Ability (MCLA) model hypothesized in this study. Traditional forms of validity for language testing (face validity, content validity, criterion/predictive validity, etc.) have been superseded in recent years by construct validity relying on MTMM analyses, which can be more easily tested empirically.

Major Findings

The major findings of the study were discussed in Chapter 4 and can be summarized as follows:

1. The MCLA model based on Bachman’s (1990) model of Communicative Language Ability does fit the data drawn from the sample population, providing support for the model’s construct validity.

2. The MCLA model shows that General Competence accounts for most of the variance in the 12 measured variables. However, the results also reveal that specific language traits exist distinct from General Competence in the sample:
 - A. Pragmatic Competence does exist as a distinct trait, independent from General Competence. It explains a small amount of the variance in the 12 observed variables.
 - B. Organizational Competence cannot be specified as distinct from General Competence, at least not for this sample.
3. The Overall Success in Japan model has an acceptable fit to the data. This exploratory model demonstrates the existence of separate constructs reflecting Personal and Company Success. The two constructs are only moderately related to each other when the model is considered in isolation.
4. The Combined MCLA and Overall Success in Japan model results indicated direct and indirect impacts of General Competence on Overall Success in Japan, with suggestive (but non-significant) patterns consistent with the literary sources emphasis on the need for greater Pragmatic Competence. In this particular study, however, measures of Organizational and Pragmatic Competence largely merge into a General Competence factor, with a separate Pragmatic factor accounting for only a small portion of the variance. Organizational Competence could not be distinguished from the other two competing factors.

Implications and Conclusions

This study has provided support for a model of Communicative Language Ability that draws to an almost equal extent on the Pragmatic-cultural and well as Organizational-grammatical aspects of language use. Further, language competence directly supports Personal Success and indirectly supports Company Success.

Implications: General foreign language education. The implications for higher education are fairly straightforward. Skills in other languages for AGENS in an ever-more-tightly linked world grow daily in importance; language teaching requires considering language distance. The current “Proficiency” paradigm of language competence, basically a grammar-based unitary trait such as used by both the American Council on Teaching Foreign Languages and the U.S. Government’s Interagency Language Roundtable, will become increasingly unworkable. The General Competence factor that appears paramount in this study is composed about equally of Organizational and Pragmatic skills. Also, the Pragmatic factor is distinct, while the Organizational one is not.

A related issue concerns how languages in general are taught (including English) in American colleges and universities, the “Academic” paradigm. Reading literature lends itself to easy academic analysis and criticism, thus it becomes the focal point of instruction when the student advances beyond the “language requirement” stage. Any practical aspects of the language are frequently relegated to the periphery, taught by adjunct professors or teaching assistants, giving it low status in the curriculum. Academia needs to thoroughly reexamine the status and importance of language skills with real-world applications; utility should not be considered inimical to enrichment in liberal arts.

Implications: Business education. The American Assembly of the Collegiate Schools of Business 1993 survey found a greater need to “internationalize” the curriculum among the colleges/universities it accredits. The accrediting organizations serving business education need to reexamine the policy that lets various colleges and universities award an international MBA with no foreign language requirement. The graduates are the ones who will eventually feel the lack of training, paying for their institution’s oversight in missed opportunities when doing business abroad.

Implications: Corporate training. The number of respondents in the sample with specific corporate-driven language training for their position in Japan was so small as to be not worth reporting; a by far larger number of the sample had the wisdom to study on their own. While corporate policy may hold that culture/language training for a short-term assignment is unworkable, a difficult market like Japan makes it worthy of consideration. The direct contribution of General Competence to Personal Success indicates that culture/language training, coupled with longer assignments may be one way to succeed in a difficult market. Training in Pragmatic Competence can begin in the person’s native language as soon as he/she is chosen for the assignment; this would allow the company to quickly find out when a candidate is unsuitable for assignment in Japan.

Implications: Language testing. Testing Pragmatic Competence as a specific group of skills needs more focus. The measured variables in this study for Organizational Competence had smaller error terms; specifying mastery of a number of grammar patterns as “competence” is much easier than measuring appropriateness of register in a given circumstance that changes depending upon the interlocutors. One way to facilitate this

might be by developing a “sociolinguistically competent nonnative speaker” model in contrast to the “educated native speaker” model now the most common rubric of language proficiency. Fiorello La Guardia repeatedly won over both Jewish and Italian voters in New York by speaking vernacular Yiddish and Italian, using his great facility with metaphor, gesture, and cultural homilies to win support--not with the Talmud or Ovid.

Study Limitations and Suggestions for Further Research

Limitations: MCLA model. This research was constrained in several ways, some unavoidable due to study design, others financial by considerations. The MCLA model did demonstrate some construct validity. However, this sort of model should be tested and refined with a host of measures, addressing all aspects of language competence as defined by Bachman and others. It should be recognized that the 12 competence measures used here were confined to a four-point scale. The variables were grouped together in the questionnaire in such a way that they might specify a “General Competence” measure as most important. Models with expanded and more refined measures may show a stronger presence for the Organizational and Pragmatic traits as distinct constructs.

Limitations: Success model. The Overall Success in Japan model needs much empirical work, possibly including many more variables to define these constructs. Furthermore, it may be easier to demonstrate the separate factors with behavioral, as opposed to self-assessment measures. The assessments or measured variables may need to change according to company type and the respondent’s position in the organization.

Limitations: Combined model. The Combined Model suffers from the shortcomings of its two constituent parts. The sample size should have been larger even

though this too has an absolute upper limit specific to the population under consideration. The robust ML model estimation technique was considered the best compromise for the sample size and variable type. The results of the model estimation indicate that scales more closely representing a true interval scale, such as the 10 point scale from 0+ to 5 such as used by the ILR scale, may provide estimates with less error.

Further research: Other businessmen/languages. There are several investigative approaches that could draw on this research to investigate paradigms of language competence for businessmen. This study could be replicated with a different sample of AENS businessmen in another Asian country with a similar set of cultural assumptions (e.g. China or Korea) that make it a “truly foreign language” to test the stability of the proposed model and its construct validity. Further, this sample need not be limited to AENS, but could survey all “Western” businessmen. This would provide firmer ground for rethinking approaches to foreign language teaching in general and for business education in particular.

Further research: AENS businesswomen. This general model could be used to assess the language competence of businesswomen, to see if the relative needs for competence remain constant. This might give some insight into the difficulties faced by AENS businesswomen when trying to succeed in a country like Japan, where the vast majority of Japanese men feel that male dominance is the natural order.

Further research: Qualitative. Qualitative studies could extend the paradigm of language competence and the ways to measure it. Many of the observed variables in this study had large amounts of measurement error; this may be due to not asking the right

questions. Qualitative assessment of what encompasses “nonnative language competence,” questioning those who have mastered certain levels of a second language by both natural exposure and in-country instruction can provide insight into what sorts of questions to ask when measuring language competence by self-assessment or other means.

Further research: Success. The literature focused heavily on levels of interpersonal relationships in Japan at the personal and company level as the prime predictor of success; However, these sorts of questions unavoidably produce a halo effect; it is hard to imagine an executive with a one-year tenure and “no Japanese” deserving the same self-reported top score for personal networking as one with 20 years in country and superlative language skills. Empirical measures that control for this effect, such as a “success” balance sheet need to be worked out from different perspectives (company evaluation, colleague evaluation, etc.) and cross-validated. Success measures are arguably the most sensitive and difficult to collect but, as with all outcome measures, remain vital for the study to have any practical significance. It would also be useful to explore possible non-recursive causal connections between Personal and Company Success to a greater extent.

Further research: Language competence. Measures defining Pragmatic and Organizational Competence should be tested on native and nonnative speakers to see if these differentiate between the two. Register in Japanese for a native speaker is almost inextricably combined with grammar, while for a native English speaker register is more in tone of voice. If a new paradigm of communicative competence is to be formed for a specific purpose, both native language and target language must be thoroughly weighed for comparative distance, Markedness, and ultimate communicative goals when exploring

the boundaries of knowledge that define successful communication. In the case of Japanese and English, the great number of English loan words in modern Japanese, coupled with the increasing numbers of AENS businessmen in Japan for long periods, may lead to changes in the two languages at the point of contact we can't yet imagine. Will Western influence make colloquial Japanese more direct, less ritualistic?, or will the AENS community remain distinct while becoming multigenerational, creating its own Creole, JapEnglese?

SURVEY QUESTIONNAIRE

This survey is to help determine the reasons for the success of American businesses and businessmen in Japan. Please answer the following questions with complete frankness. All your answers and comments will be held in strictest confidence.

Section 1: Personal Information and Professional Competencies

1. Name: _____
Last (ALL CAPS) First MI
2. Company name: _____
3. Your position/duties: _____
4. Length of residence in Japan: _____ months. 5. Present age _____.
6. Length of residence abroad (please give the country name and term of residence):
(a) _____, _____ months. (b) _____, _____ months.
(c) _____, _____ months. (d) _____, _____ months.
(e) _____, _____ months. (f) _____, _____ months.
7. Number of foreign languages spoken beyond a one-word level (please list):
(a) _____ (b) _____
(c) _____ (d) _____
8. Number of years of formal and informal foreign language study?
Formal:
(a) high school _____. (b) college _____. (c) corporate requirement _____.
Informal:
(a) high school _____. (b) college _____. (c) corporate requirement _____.
Intensive learning (More than 15 hours per week, number of months):
(a) high school _____. (b) college _____. (c) corporate requirement _____.
9. Highest professional business degree ___ B.Ba. ___ M.B.A. _____ Other.
10. Highest other academic degree _____ in _____.
11. Number of years _____ and months _____ working in this business field.
12. (a) Marital status? (circle one) Married Single (b) Citizenship _____
13. Do you have a familial or marital relationship with a Japanese _____(Y/N),
Japanese-American _____ (Y/N), other Asian/Asian American _____(Y/N).

Section 2: Attitudes and Opinions about Foreign Languages and the Japanese People

The following section will help determine individual attitudes towards the languages/people you deal with. Please circle the answer that corresponds with your opinion:

"1" strongly disagree "2" disagree somewhat "3" agree somewhat "4" agree strongly

14. I have always enjoyed learning about other languages and cultures. 1 2 3 4
15. My first impressions of the Japanese were that they were basically fair and honest in their business dealings. 1 2 3 4
16. I first thought that Japanese would be really hard for me to learn. 1 2 3 4
17. By past experience I considered myself good at learning foreign languages. 1 2 3 4
18. I first wanted to learn Japanese so I could understand the people. 1 2 3 4
19. I first wanted to learn Japanese so I could be successful in business. 1 2 3 4
20. My first impressions of the Japanese were that they sometimes dealt unfairly with foreign colleagues. 1 2 3 4
21. My first impressions of the Japanese were that I could not understand why they behaved like they did. 1 2 3 4

Section 3: The following section is to assess individual Japanese language skills. Each question may have a slightly different rating system, so please choose your answer carefully. Circle the one that fits the best. Please remember that this is merely to judge your language skills, not how well you get along with a particular person or group.

22. When I make requests to or ask favors of a colleague in Japanese I make ____:
(a) Many mistakes, every time. (c) Only a few mistakes.
(b) Many mistakes, but not always. (d) Almost no mistakes.
23. I find using the proper polite/respectful forms when I speak to a Japanese ____:
(a) Practically impossible. (c) Not very hard.
(b) Usually very hard. (d) Very easy.
24. Using the same natural, native-like words as a Japanese when I speak is ____:
(a) Practically impossible. (c) Not very hard.
(b) Usually very hard. (d) Very easy.

-
25. I can detect when others make improper requests to or ask improper favors of a Japanese when they speak in that language ____:
- (a) Almost never. (c) Usually.
(b) Sometimes. (d) Almost always.
26. I can detect when others use the wrong polite or respectful language forms when they are speaking in Japanese ____:
- (a) Almost never. (c) Usually.
(b) Sometimes. (d) Almost always.
27. I can tell when others use native-like words when they speak in Japanese ____:
- (a) Almost never. (c) Usually.
(b) Sometimes. (d) Almost always.
28. I recognize that I make the following numbers or sorts of grammatical mistakes when I speak in Japanese ____:
- (a) Mistakes in almost everything. (c) Only a few kinds of mistakes.
(b) Many kinds of mistakes. (d) Almost never make mistakes.
29. I notice that I lack needed vocabulary in Japanese when I speak ____:
- (a) Almost always. (c) Not very often.
(b) Often. (d) Almost never.
30. I find making long, complex sentences in spoken Japanese ____:
- a) Almost impossible. (c) Not too hard.
(b) Very hard. (d) Very easy
31. I can tell if others make grammatical mistakes when speaking Japanese ____:
- (a) Almost never. (c) Usually.
(b) Sometimes. (d) Almost always.
32. I can understand the majority of a Japanese person's vocabulary when one speaks ____:
- (a) No, almost never. (c) Usually.
(b) Sometimes. (d) Yes, almost always.
33. I find recognizing other's mistakes in long, complex sentences when they speak in Japanese ____:
- (a) Almost impossible. (c) Not very hard.
(b) Very hard. (d) Very easy.

This concludes the section on language self-assessment. If you feel there are any points about language ability or types of language skills needed by American businessmen in Japan which this survey did not cover, please write them at the end this survey. All your comments will be carefully considered in relation to the survey's results.

Section 4: This section attempts to determine your company's characteristics, management, level of integration into Japanese business society, and general level of effectiveness when working with Japanese customers and employees. This may or may not have any relation to your language skills, so please do not refer to the answers you have given above. There are also questions about your company's overall performance and prospects. Please write in or circle the answer that fits the best.

34. Please write below what category of business are you in (e.g., consumer products, finance, heavy manufacturing, high-tech, investment, services, etc.)
-
35. If your company is wholly or partially Western-owned, please answer below:
 (a) How many years has your company had a presence in Japan? _____ yrs.
 (b) Is your company incorporated in Japan? Y / N
36. Is your company independent, rather than part of a Western multinational? If yes, please circle the answer below that applies.
 (a) It is a totally non-Japanese controlled company. Y / N
 (b) It is a totally Japanese-controlled company. Y / N
 (c) It is a joint-venture company. Y / N
37. Is your company a branch of a Western multinational? If yes, please circle the answer below that applies.
 (a) It is a totally non-Japanese-controlled company. Y / N
 (b) It is a totally Japanese-controlled company. Y / N
 (c) It is a joint-venture company. Y / N
38. In your company:
 (a) Is the day-to-day office management Japanese or Western? J / W
 (b) Is your direct superior Japanese or Western? J / W
 (c) Is the senior office/company manager Japanese or Western? J / W
39. What is the senior office/company manager's age? _____ yrs.
40. When considering employee characteristics for this company or branch:
 (a) What is the average age of the Japanese employees? _____ yrs.
 (b) What is the average age of the Western employees? _____ yrs.
 (c) What is the ratio of Japanese to Western employees? ___ to ___
41. What level of importance did your direct employer attach to your Japanese language skills as a condition for employment? _____
 (a) None or very little. (c) Very important.
 (b) Some importance. (d) Essential.

42. What level of importance does your company home office attach to Japanese language skills as a general condition for employment? _____
 (a) None or very little. (c) Very important.
 (b) Some importance. (d) Essential.
43. What level of importance does your company home office attach to Japanese employees having English language skills as a condition for employment? _____
 (a) None or very little. (c) Very important.
 (b) Some importance. (d) Essential.
44. What level of spoken English language skills are needed by Japanese employees in your office for continuing professional advancement? _____
 (a) Basic, one-word skills, salutations and formulaic sentences.
 (b) Simple sentences with some technical/professional word skills & concepts.
 (c) Simple paragraphs on facts, technical/professional word skills & concepts.
 (d) Complex, supported paragraphs, abstract reasoning, and fair social skills.
45. What level of importance do you attach to your Japanese language skills as necessary to successfully carry out your official duties in the company? _____
 (a) None or very little. (c) Very important.
 (b) Some importance. (d) Essential.
46. What percentage of the Western employees in your office/company work frequently and directly with Japanese customers or fellow employees? _____
 (a) 0 to 10% (b) 11 to 25%
 (c) 26 to 50 % (d) 51% or more.
47. What percentage of all your interaction with Japanese customers is carried out in the Japanese language? _____
 (a) 0 to 10% (b) 11 to 25%
 (b) 26 to 50 % (d) 51% or more.
48. What percentage of all your interaction with Japanese fellow employees is carried out in the Japanese language? _____
 (a) 0 to 10% (b) 11 to 25%
 (b) 26 to 50 % (d) 51% or more.
49. My current comfort level when working with Japanese people has been:
 (a) Excellent, couldn't ask for better.
 (b) Usually good, few long-term, problems.
 (c) Not always good, have some long-lasting difficulties
 (d) Not good at all, I prefer not to work closely with Japanese

50. My ability to network with Japanese counterparts in my field has been: _____
- (a) Excellent, I have extensive personal networks.
 - (b) Very good, I have several people I can rely on.
 - (c) Adequate, I know one or two people who will help me.
 - (d) Poor, I really have no one I can ask for personal help.
51. My company's current revenues/prospects in the Japanese market are: _____
- (a) Excellent, growing revenues and increasing in market share.
 - (b) Very good, we have a solid foundation and good prospects.
 - (c) Average, we are struggling a bit but expect to succeed.
 - (d) Poor, we are having difficulty operating or getting established.

The following apply if your company is totally Western-controlled or a joint venture.

52. Our level of success in hiring/keeping long-term Japanese employees is: _____
- (a) Excellent, many of our Japanese staff have been with us from the beginning.
 - (b) Very good, we have a solid core of Japanese staff working for us.
 - (c) Average, we have had some difficulty keeping top-quality Japanese staff.
 - (d) Poor, we have had a rapid turnover in our Japanese staff.
53. By their actions, our parent company has the indicated the following opinion of this Japanese venture: _____
- (a) The venture is good for the company overall and is very successful.
 - (b) The venture has been generally successful and shows good prospects.
 - (c) The venture is not living up to expectations, and is a disappointment.
 - (d) The venture is not successful and may be restructured, sold, or abandoned.
54. Our local company policies dealing with Japanese employees have been: _____
- (a) Very successful, few needed major changes.
 - (b) Generally successful, some changes were needed.
 - (c) Somewhat successful, policy changes were frequent but are now stable.
 - (d) Not very successful, major policy changes are an ongoing process.

This is the end of the survey. Thank you for your cooperation. If you have any other comments which you think might help this researcher find ways to help American businessmen succeed when working with Japanese or help American companies succeed in the Japanese market, please write or append your comments below. All your comments will be carefully assessed and used for the evaluation of the responses in this survey, and in creating future survey instruments.

Dear Sir:

America's trade deficit with Japan has continued to grow. Political rhetoric in Washington D.C. more often focuses on "punishing" Japan. The Japanese are becoming increasingly defensive. Are sanctions or worse an inevitable outcome? As stated by the Chairman of TRW at a recent NHK Roundtable in Tokyo, "... we are running out of time." Various explanations are offered for American business' successes and failures in Japan, such as Japanese bureaucratic obstructionism, poor American strategic planning, marketing, management, etc. However, research has not yet focused exclusively on the role of language/cultural skills as a significant part of the success equation. My survey of selected American businessmen like yourself, members of the American Chamber of Commerce, examines the possible contributions of language skills to American success in Japan.

Enclosed is a 54-question, multiple-choice survey, which takes about 15 minutes to complete, along with a self-addressed, stamped return envelope. When you complete and return the survey, I will provide a summary of the results, examining the relationships and utility of language and cultural skills to business success. The findings should be ready by December 31st. These may confirm your own insights into the reasons for American success in Japan and perhaps yield new information on customer/coworker relations.

Please return the completed survey at your earliest convenience. Each response is important to its validity. By making the research rock-solid statistically, examining business success as partly due to language-bound human-relations problems, the results could furnish new information for improving America's international business education.

With sincere thanks for your participation,

Alan Carter Covell, Doctoral Candidate, UCLA
9200 Westminster Blvd., #41, Westminster, CA 92683
(H) 714-893-8991 (F) 714-537-3460 (E-mail) IBXWACC@MVS.OAC.UCLA.EDU

P.S. Please extend my apologies to any female executives in your organization. This survey has excluded American businesswomen, due to the belief that their specific gender-related difficulties in Japan's business culture might confound the statistical results.

UCLA Letterhead, Graduate School of Education and Information Studies

To: <mailmerge, name>

<company>

<address>

November 11 1994

Dear <mailmerge>:

As one of the men on the spot, you already know the difficulties that Western businessmen face in Japan. Trade surpluses continue growing in relation to the rest of the world; they have reached levels with the United States that could spark a severe backlash if the political situation worsens. The enclosed survey attempts to determine if any relationships exist between business success and Japanese language/cultural skills. It focuses on businessmen working in Japan, primarily Americans, all members of the American Chamber of Commerce. Ten percent of the initial respondents were Canadian, Australian, English, or other Europeans working for American companies. These answers will provide a baseline for determining if all Westerners have similar business difficulties in Japan.

Perhaps you feel your command of Japanese language skills too limited to be of much use in determining their relationships to business practices. However, those skills are only part of the equation--not many can devote a lifetime to studying Japanese--people are successful with even limited competence. Each survey response is important to overall validity and completely confidential. A broad sample is needed for statistically valid results, supporting a model generalizable across a wide range of ages, educational backgrounds, and company types.

This survey seeks to provide a piece of a puzzle, the "why" of growing trade surpluses between Japan and the West, hopefully from a viewpoint that does not automatically assume the usual stereotypes that one finds on either side of the debate. Your frank answers and additional comments will help shed light on this issue, without the "spin" that government officials on both sides use to make political points on the nightly news.

In closing, let me thank you for your time and patience. As a small token of my gratitude for your participation, you will find enclosed a two-dollar bill, last issued in 1976 for the American Bicentennial, which was purchased at the Bureau of Engraving & Printing in Washington D.C.

Sincerely,

Alan Carter Covell, Project Director

(H) 714-893-8991, (F) 714-537-3460, E-mail IBXWACC@MVS.OAC.UCLA.EDU

Section 2: Attitudes and Opinions about Foreign Languages and the Japanese People

The following section will help determine individual attitudes towards the languages/people you deal with. Please circle the answer that corresponds best with your opinion:

"1" strongly disagree "2" disagree somewhat "3" agree somewhat "4" agree strongly

14. I have always enjoyed learning about other languages and cultures. 1 2 3 4
15. My first impressions of the Japanese were that they were basically fair and honest in their business dealings. 1 2 3 4
16. I first thought that Japanese would be really hard for me to learn. 1 2 3 4
17. By past experience I considered myself good at learning foreign languages. 1 2 3 4
18. I first wanted to learn Japanese so I could understand the people. 1 2 3 4
19. I first wanted to learn Japanese so I could be successful in business. 1 2 3 4
20. My first impressions of the Japanese were that they sometimes dealt unfairly with foreign business partners. 1 2 3 4
21. My first impressions of the Japanese were that I could not understand many aspects of their behavior. 1 2 3 4

Section 3: The following section assesses your Japanese language skills. Each question may have a slightly different rating system, so please choose the answer carefully. This is to judge your language skills, not how well you get along with a particular person/group.

22. When I make requests to or ask favors of a colleague in Japanese I make ____:
(a) Many mistakes, every time. (c) Only a few mistakes.
(b) Many mistakes, but not always. (d) Almost no mistakes.
23. I find using the proper polite/respectful forms when I speak to a Japanese ____:
(a) Practically impossible. (c) Not very hard.
(b) Usually very hard. (d) Very easy.
24. Using the same natural, native-like words as a Japanese when I speak is ____:
(a) Practically impossible. (c) Not very hard.
(b) Usually very hard. (d) Very easy.

(Please go to the next page)

-
25. I can detect when other foreigners make improper requests to or ask improper favors of a Japanese when they speak that language ____:
- (a) Almost never. (c) Usually.
(b) Sometimes. (d) Almost always.
26. I can detect when others use the wrong polite or respectful language forms when they are speaking in Japanese ____:
- (a) Almost never. (c) Usually.
(b) Sometimes. (d) Almost always.
27. I can tell when others use native-like words when they speak in Japanese ____:
- (a) Almost never. (c) Usually.
(b) Sometimes. (d) Almost always.
28. I recognize that I make the following numbers or sorts of grammatical mistakes when I speak in Japanese ____:
- (a) Mistakes in almost everything. (c) Only a few kinds of mistakes.
(b) Many kinds of mistakes. (d) Almost never make mistakes.
29. I notice that I lack needed vocabulary in Japanese when I speak ____:
- (a) Almost always. (c) Not very often.
(b) Often. (d) Almost never.
30. I find making long, complex sentences in spoken Japanese ____:
- (a) Almost impossible. (c) Not too hard.
(b) Very hard. (d) Very easy
31. I can tell if others make grammatical mistakes when speaking Japanese ____:
- (a) Almost never. (c) Usually.
(b) Sometimes. (d) Almost always.
32. I can understand the majority of a Japanese person's vocabulary when he or she speaks ____:
- (a) No, almost never. (c) Usually.
(b) Sometimes. (d) Yes, almost always.
33. I find recognizing others' mistakes in long, complex sentences when they speak in Japanese ____:
- (a) Almost impossible. (c) Not very hard.
(b) Very hard. (d) Very easy.

This concludes the section on language self-assessment. If you feel there are any points about language ability or types of language skills needed by American businessmen in Japan which this survey did not cover, please write them at the end this survey.

(Please turn the page over)

Section 4: This section attempts to determine your company's characteristics, management, level of integration into Japanese business society, and general level of effectiveness when dealing with Japanese customers and coworkers. This may or may not have any relation to your language skills, so please do not refer to the answers you have given above. There are also questions about your company's overall performance and prospects. All replies are confidential. Please write in or circle the best answer.

34. Please write below what category of business are you in (e.g., consumer products, finance, heavy manufacturing, high-tech, investment, services, etc.)
-
35. If your company is wholly or partially Western-owned, please answer below:
 (a) How many years has your company had a presence in Japan? _____ yrs.
 (b) Is your company incorporated in Japan? Y / N
36. Is your company independent, rather than part of a Western multinational? If yes, please circle the answer below that applies.
 (a) It is a totally Western-controlled company. Y / N
 (b) It is a joint-venture company. Y / N
37. Is your company a branch of a Western multinational? If yes, please circle the answer below that applies.
 (a) It is a totally Western-controlled company. Y / N
 (b) It is a joint-venture company. Y / N
38. In your company:
 (a) Is the day-to-day office management Japanese or Western? J / W
 (b) Is your direct superior Japanese or Western? J / W
 (c) Is the senior resident company manager Japanese or Western? J / W
39. What is the senior office/company manager's age? _____ yrs.
40. When considering employee characteristics for this company or branch:
 (a) What is the average age of the Japanese employees? _____ yrs.
 (b) What is the average age of the Western employees? _____ yrs.
 (c) What is the ratio of Japanese to Western employees? ____ to ____
41. What level of importance did your direct employer attach to your Japanese language skills as a condition for employment? _____
 (a) None or very little. (c) Very important.
 (b) Some importance. (d) Essential.

(Please go to the next page)

42. What level of importance did your company's home office attach to your Japanese language skills as a general condition for your employment? _____
 (a) None or very little. (c) Very important.
 (b) Some importance. (d) Essential.
43. What level of importance does your company home office attach to Japanese employees' English language skills as a condition for their employment? _____
 (a) None or very little. (c) Very important.
 (b) Some importance. (d) Essential.
44. What level of spoken English language skills are needed by most Japanese employees in your office for continuing professional advancement? _____
 (a) Basic, one-word skills, salutations and formulaic sentences.
 (b) Simple sentences with some technical/professional word skills & concepts.
 (c) Simple paragraphs on facts, technical/professional word skills & concepts.
 (d) Complex, supported paragraphs, abstract reasoning, and fair social skills.
45. What level of importance do you attach to your Japanese language skills as necessary to successfully carry out your official duties in the company? _____
 (a) None or very little. (c) Very important.
 (b) Some importance. (d) Essential.
46. What percentage of the Western employees in your office/company work frequently and directly with Japanese customers or fellow employees? _____
 (a) 0 to 10% (c) 26 to 50 %
 (b) 11 to 25% (d) 51% or more.
47. What percentage of all your interaction with Japanese customers is carried out in the Japanese language? _____
 (a) 0 to 10% (c) 26 to 50 %
 (b) 11 to 25% (d) 51% or more.
48. What percentage of all your interaction with Japanese coworkers is carried out in the Japanese language? _____
 (a) 0 to 10% (c) 26 to 50 %
 (b) 11 to 25% (d) 51% or more.
49. My comfort level when dealing with Japanese coworkers lately has been: _____
 (a) Excellent, couldn't ask for better.
 (b) Usually good, few long-term, problems.
 (c) Not always good, have some long-lasting difficulties
 (d) Not good at all, I prefer not to work closely with Japanese

(Please turn the page over)

50. My ability to network with Japanese counterparts in my field has been: _____
- (a) Excellent, I have extensive personal networks.
 - (b) Very good, I have several people I can rely on.
 - (c) Adequate, I know one or two people who will help me out.
 - (d) Poor, I really have no one I can ask for personal help.
51. My company's current revenues/prospects in the Japanese market are: _____
- (a) Excellent, growing revenues and increasing in market share.
 - (b) Very good, we have a solid foundation and good prospects.
 - (c) Average, we are struggling a bit but expect to succeed.
 - (d) Poor, we are having difficulty operating or getting established.
52. Our level of success in hiring/keeping long-term Japanese employees is: _____
- (a) Excellent, many of our Japanese staff have been with us from the beginning.
 - (b) Very good, we have a solid core of Japanese staff working for us.
 - (c) Average, we have had some difficulty keeping top-quality Japanese staff.
 - (d) Poor, we have had a rapid turnover in our Japanese staff.
53. By their actions, our parent company has indicated the following opinion of this Japanese venture: _____
- (a) The venture is good for the company overall and is very successful.
 - (b) The venture has been generally successful and shows good prospects.
 - (c) The venture is not living up to expectations, and is a disappointment.
 - (d) The venture is not successful and may be restructured, sold, or abandoned.
54. Our local company policies dealing with Japanese employees have been: _____
- (a) Very successful, few needed major changes.
 - (b) Generally successful, some changes were needed.
 - (c) Somewhat successful, policy changes were frequent but are now stable.
 - (d) Not very successful, major policy changes are an ongoing process.

This is the end of the survey. I sincerely thank you for your help. If you have any other comments which you think might help American businessmen succeed when working with Japanese individuals or companies, please write your comments below. All your suggestions will be carefully assessed and used for the evaluation of the responses in this survey, in creating future surveys, and for weighing the research's final conclusions.

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