

While people still talk about Hawaii's international role in other fields, some state educators are already exploiting the state's niche in training Pacific managers.

# INTERNATIONAL BUSINESS EDUCATION: HAWAII'S HEAD START

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By Diana Lomont

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An animated Spuds Mackenzie wearing a flowered aloha shirt and surf trunks whirls around on a skateboard in a classroom, chattering in Japanese. He ends his 15-second appearance with a final spin into the foreground, and says three words in English, with his tongue hanging out the side of his mouth in a complacent smile: "It's so easy!"

A big difference from the American way of advertising education. But then again, why not take advantage of Hawaii's reputation for fun in the sun? The producers of this TV commercial shown in Tokyo recently did just that when they advertised for a summer business program at Hawaii Pacific College.

But business school administrators see Hawaii offering much more than a pleasant education in paradise. International business education should be considered a valuable export that goes beyond tuition receipts, they say. In Hawaii, it should mean bridging cross-cultural barriers between East and West to encourage the growth of successful Asian-U.S. business relations.

There couldn't be a better time to capitalize on Hawaii's potential to be a center of international business education. As each day passes, more Americans realize that doing business really means doing international busi-

ness. After all, according to some estimates, four out of five new jobs in the U.S. are created as a result of foreign trade.

Although building a reputation in anything is a gradual process, the word is getting out: Hawaii is one of the best places to receive a business education with an emphasis on Asia. Our multi-cultural setting lets foreign Asian students fit right in, and provides American students the opportunity to live and interact with a rainbow of ethnic peoples.

Business schools in Hawaii have sought out a mixed international student body from the start. Today, the percentage of foreign students—who are primarily Asians—in Hawaii business programs averages 20 to 25 percent. Most of these students come from Japan, Hong Kong, Taiwan, China, Thailand, Korea, Singapore, Malaysia and Indonesia.

HPC President Chatt Wright says he would like to see his school's foreign student population increase from the present 18 percent to 22 percent. HPC wants foreign students and actively recruits them year-round in Asia. "Right now, when we market the college to students here locally and on the Mainland, we sell the fact that we're an international college,"

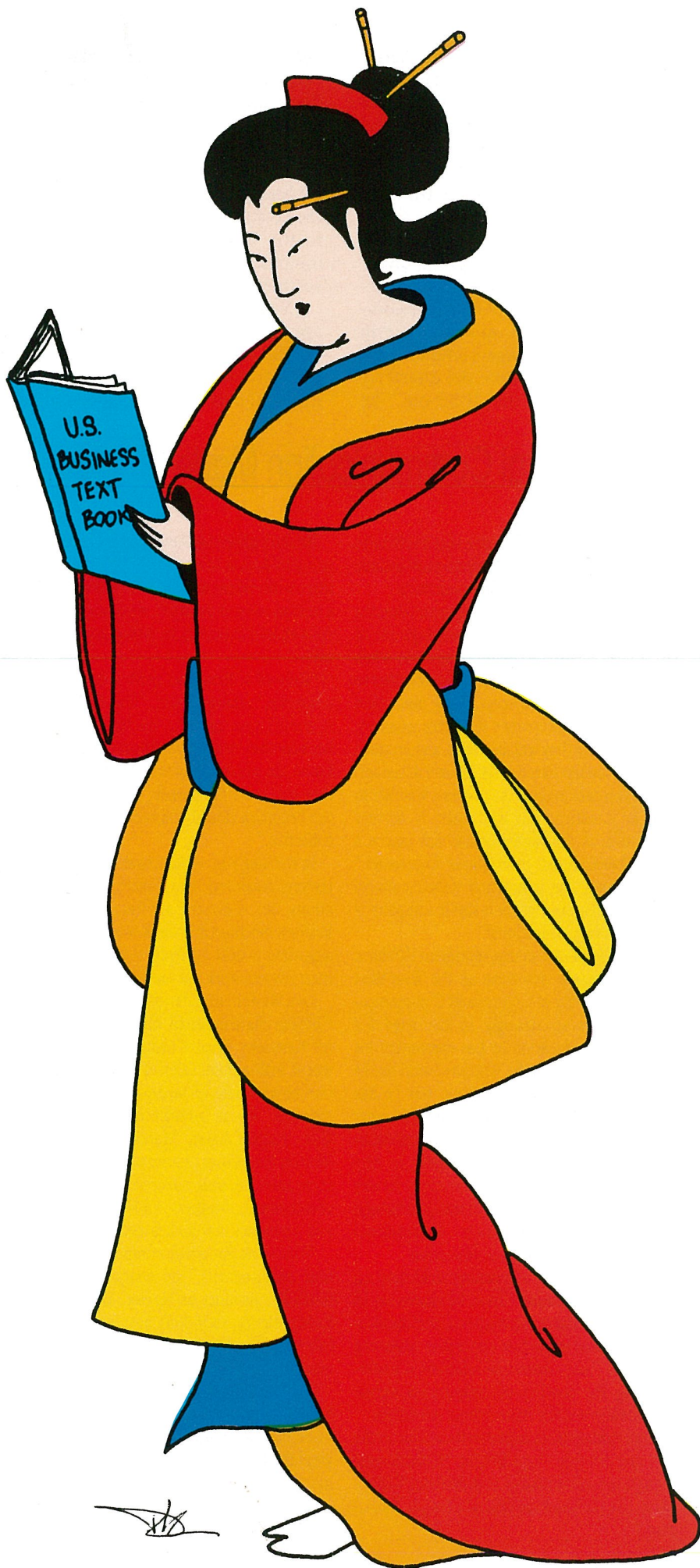
says Wright. "Our American students come to us because of that."

The Asian students, on the other hand, come more for the American living experience than anything else, say school officials. And Hawaii offers them a more comfortable introduction than going straight to the Mainland.

"Most of the international students who come here could learn about American business practices right in their own country," remarks Wright. "However, what they do see here is our overall culture, our overall way of doing things, our way of dealing with people, thinking about things."

The majority of foreign graduate business students who come to Hawaii are sponsored by their companies or governments, who view continuing education as an investment in long-term career development. David Lohmenn, director of the MBA program at HPC, says one of his goals in educating foreign business students is to see them develop into independent thinkers.

This can be a challenging task, considering the educational system in Asia that stresses memorization and computational proficiency. HPC's MBA program includes heavy emphasis on case study analysis to encourage development of problem-solving skills. The foreign students struggle to broaden their minds in



this respect, but are grateful once the ordeal is over, says Lohmenn.

"Our foreign graduates tell us that the combination of a rigorous but somewhat inflexible Asian education plus the free-wheeling, creative, more energetic approach of an American education is a very powerful combination," he adds.

Asian students take their educations seriously. Nancy Ellis, dean of students at HPC, calls them "real consumers of education." Ellis, who goes on recruiting tours in Asia once a year, says "they are looking for quality schools that offer the kinds of educational program that will have meaning when they go back home."

Evidently, Hawaii must be doing something right; the Asian students keep coming. And most of them are coming because of word-of-mouth referrals, which mean more to Asians than any accreditation or national ranking.

Although Hawaii is small by all standards, both foreign and American students interested in an international business education have a handful of opportunities open to them. First, of course, there's the University of Hawaii's College of Business Administration, where the Pacific Asian Management Institute (PAMI) runs a host of programs focusing on Asian-Pacific relations. In 1987, the college was ranked fifth out of 30 graduate international business programs in the U.S., according to a survey published in the *Journal of International Business Studies*.

Soon there will be three degree programs available from PAMI. In addition to the current MBA in international business, a new Master's in International Business (MIB), to start this fall, will focus on the Asia-Pacific region. But the school plans to go one step further by instituting the nation's first Ph.D. in International Management with an emphasis in Asian-Pacific relations. The program is intended to meet the high demand for international business professors and Asian industry consultants.

Awaiting approval from the UH regents, PAMI Director Lane Kelley is targeting fall 1990 as a start-up date for the program. He points out that much of the curriculum for the Ph.D. coursework already exists: the university offers more than 400 international courses across the board in many disciplines, including subjects like music, drama, religion, and political science.

Both the MIB and Ph.D. programs will require proficiency in an Asian language and offer American students the opportunity to study or conduct research in Asia.

Brigham Young University of Hawaii is adding an international emphasis to its bachelor of business management program beginning this fall. The curriculum will include international finance, international accounting, international management and a second language requirement. Lloyd Munson, head of BYU's business division, says business graduates are increasingly being hired by the Big Eight international accounting firms and sent to foreign offices, such as Coopers & Lybrand in Tokyo.

For American and foreign students wanting work experience in their country of study, the Japan-America Institute of Management Science (JAIMS) offers the opportunity of a lifetime that has proven to serve as a springboard to employment. Founded in 1972 by Fujitsu Ltd., Japan's leading computer manufacturer, the Hawaii Kai-based school runs two parallel programs in international business—one for Japanese and other Asian students studying American business practices; the other for American students focusing on Japan.

The American Management program places Japanese and Asian students in two-month-long internships with American companies, many of them automobile parts suppliers in the Midwest. The Japan Management Program, on the other hand, places American students in major Japanese corporations for four-month-long internships. The latter is coordinated with Chaminade University of Honolulu, and can lead to a Master of Science in Japanese Business Studies.

John Steelquist, dean of Chaminade's School of Business, says it's not uncommon for American students to receive job offers from the Japanese companies they intern with. Hideto Kono, president of JAIMS, seconds that observation. The American students, in fact, have had more success being hired by Japanese companies than by American companies, he says.

Loy Weston, an adjunct professor with PAMI and founder of the Kentucky Fried Chicken chain in Japan, is critical of American companies for not hiring international business graduates.

"For the most part, the graduates of Thunderbird and U.H. go begging.

They're cleaning hotel rooms here," deplures Weston. "Large American companies routinely hire as the head of their international branch someone who by virtue of training and experience is totally unqualified for the job. They find out whoever it is at the head office they don't want to look at anymore, and they send him overseas with no training, no understanding."

Kono agrees that this problem reflects a tendency of American companies to be caught up in short-term interests. "Our managers tend to think that if they don't make the quarterly return attractive, they'll be out," he

notes. This syndrome explains why American companies scarcely send their employees to international business programs. American students interested in international education must study independently. Japanese companies, on the other hand, consider the cost of sending a middle manager to the United States for training in international management a wise investment.

Even PAMI's Kelley expresses disappointment when asked why more Hawaii and Mainland business people don't attend the school's many international executive management pro-

## Cultural Communication Made Simple

Business school directors agree that an effective education in international business must include training in intercultural communication.

Hideto Kono, director of the Japan-America Institute of Management Science, says one of the school's most successful projects is when American and Asian students work together to create a simulated business. They must elect officers, decide where they will place a factory, how and where they will market it, and produce financial reports based on their own decisions.

"So you can imagine the process, whether to elect an American guy who seems to be very aggressive, or the Japanese who has maybe a better background in business experience," relates Kono. "The interaction of those cultural backgrounds, even when a small company is formed, is very educational."

Kono is not alone in that sentiment. Richard Brislin, research associate at the East-West Center's Institute of Culture and Communication, believes so strongly in the need for intercultural education he has committed his life to it. Not only has he written several books on cross-cultural understanding, but he has developed a program to help schools of higher education forge their own international curricula. An annual nine-day workshop in July orientates visiting college and university faculty on such subjects as cross-cultural psychology, intercultural communication, international management, and bilingual education.

Brislin also gives a traveling workshop on "intercultural training." In it, he shares his 18 concepts to enhance international communication. The most important concept in achieving successful Asian-American relations is understanding the conflict of collectivism versus individualism when Asian meets American.

"Individualists see collectivists as a bit on the dull and dry side," says Brislin. "Collectivists, though, see individualists as superficial. Collectivists use the word superficial a lot for Americans."

Brislin's advice for American business people going to Asia is to develop long-term relationships with Asians and not worry about making a deal as soon as possible. Americans going to Asia should expect to be wined and dined, he says.

"Bills of a thousand dollars are not at all unknown," relates Brislin. "One theory is that it doesn't cost more to do business though, because they're spending the money getting to know the person they're entertaining so that they can trust the person, so that the person can become a valued, long-term member of the collective."

In the long run, Asians save money by using lawyers much less than Americans do, Brislin points out. Lawyers are rarely brought to business meetings in Asia. Rather, businessmen negotiate a deal between themselves and let their lawyers work out the details of a contract.

Loy Weston, founder of the Kentucky Fried Chicken chain in Japan, now the most successful Kentucky Fried Chicken franchise in the world with annual sales of \$1 billion, has his own observations of Japan-American business relations. As an adjunct professor with the U.H. Pacific Asian Management Institute, Weston shares four requirements for American companies to deal successfully with Japan: commitment, business knowledge, patience, and a product that makes sense.

"Almost no American company can fulfill all four requirements," he charges. "They can fulfill the product or service. But they don't have patience, they don't have any knowledge [about doing business in Japan], and they can't make a commitment."

Weston's advice for doing business in Japan? You guessed it. Have patience, do your homework by researching the market, get to know what the Japanese want, and show them you're in for the long term. And one more thing: learn a little Japanese.

—D.L.



grams. The bottom line, he says, is that American companies feel they can't afford to give their employees up for a few days of education that bring no immediate payback.

Critics cite one fundamental difference in attitude between Japanese and American companies: Japanese companies view their employees as assets, while American companies view them as costs. The American attitude must change, say some, if the U.S. wants to begin competing successfully in the international business arena. In the meantime, business school administrators say Hawaii has an important role to play as a center for international education in the Pacific.

"I think we're educating the leaders of the future," says HPC's Wright. "Some of our graduates will be playing a leading role in 10 to 15 years in their economies, in their political structures. And our people, in order to be competitive, have got to understand how to work with people throughout the Pacific Basin."

Steelquist, of Chaminade, hopes to see more American students or employees sent abroad for the international experience. "My feeling is that it's a two-way street. We're not going to be proficient in international business until we can also send people abroad." He also hopes to see some of Hawaii's business graduates who are hired abroad return to the Islands in the future and share their valuable experience with the state's business community. But he believes the state government and business community could be doing more to support international education in Hawaii.

"There are some very well qualified students who can't make it financially," he notes. The primary reason students from Japan and Hong Kong comprise the two largest foreign groups at Chaminade is because they have the necessary funds to study independently, says Steelquist. He suggests a scholarship fund supported by the business community as a means to enable worthy students to gain an education in international affairs.

Wright believes Hawaii's government could also lend a hand in marketing Hawaii as a center for Asian-American international education. He cites universities in Britain, Australia and New Zealand that receive government subsidies for advertising their programs on TV. "They look at it as an export, as a way of encouraging foreign exchange."

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