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FORUM: LEADERSHIP

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DON'T MISS NEXT MONTH'S ISSUE WHERE WE LOOK AT: FORUM: RECRUITMENT; ESTABLISHING NEW EMPLOYEES; WORKPLACE FRIENDSHIPS – MOTIVATION OR DISTRACTION?; EMPLOYEE RETENTION; SENIOR EXECUTIVE EXITS... **AND MUCH, MUCH MORE**



LEADING ACROSS CULTURES

"THE NEED FOR BETTER UNDERSTANDING OF CULTURAL INFLUENCES ON LEADERSHIP AND ORGANISATIONAL PRACTICES HAS NEVER BEEN GREATER'..."

DIFFERENT CULTURES HAVE DIVERSE CONCEPTS OF LEADERSHIP. LEADERSHIP CAN BE AUTOCRATIC OR DEMOCRATIC, COLLECTIVE OR INDIVIDUAL, DESIRED OR IMPOSED. LEADERS CAN BE BORN, ELECTED, OR TRAINED AND GROOMED. OTHERS SEIZE POWER OR HAVE LEADERSHIP THRUST UPON THEM. RICHARD D. LEWIS AND MICHAEL GATES, FROM RICHARD LEWIS COMMUNICATIONS, EXAMINE WHAT WE CAN LEARN FROM THE LEADERSHIP STYLES OF OTHER COUNTRIES.



The vast majority of leadership models come from the USA, but leadership does not take place in a cultural vacuum. Leaders cannot readily be transferred from culture to culture. Japanese prime ministers would be largely ineffective in the United States; American politicians would fare badly in most Arab countries; mullahs would not be tolerated in Norway. Autocratic French leaders have to tread warily in consensus-minded Japan or Sweden; courteous Asian leaders have to be more vigorous in argumentative Holland or theatrical Spain to succeed; while German leaders sent to Australia are alarmed at the apparent lack of respect for authority.

HR can serve an important role in training leaders for key roles across cultures.

As we become more global, can we learn some universal leadership skills from other cultures? And is there a national style which suits modern knowledge-based organisations particularly well?

THREE NATIONAL LEADERSHIP STYLES

We've selected three national leadership styles and, as well as looking at what makes them distinctive, we focus on how they communicate for results.

USA – The source of most leadership theories

American leadership symbolises the vitality, audacity and optimism of the land of free enterprise. Organisational structure is pyramidal, with seniors driving and inspiring people under them. Americans are allowed to make individual decisions within the framework of corporate restrictions. Leaders are capable of teamwork and corporate spirit, but value individual freedom more than company welfare. They are mobile. They get fired if they make mistakes.

The leader is generally viewed in a positive and sympathetic light. The US is a young, ebullient nation, and its language reflects the national energy and enthusiasm. Americans exaggerate in order to simplify. Low-key Britons feel they go 'over-the-top', but the dynamic cliché wears well in the United States.

The tendency to overstate allows American leaders to 'pump up' their subordinates, driving them on to longer hours and speedier results. Tough talk, quips, wisecracks, barbed repartee – all available in good supply in American English – help them on their way.

The ubiquitous use of 'get' facilitates clear, direct orders. You get up early, you get going, you get there first, you get the client and you get the order... got it? The many neologisms in American English permit leaders to appear up-to-date, aphoristic, humorous and democratic.

UK – Where are we in the global picture?

The class system persists to some extent in the UK and in some companies, leaders, though not entirely autocratic, maintain considerable power distance between themselves and their staff. More common today, however, is the rather casual leader who sits just outside the ring of executives, but is in close contact with them and well able to conduct effective supervision without much interference.

British English has quite different qualities from the US variety and is a much more subtle leadership tool. British staff members – put off by American hyperbole and tough talk – are motivated by more understated, laid-back language.

Leaders manipulate subordinates with friendly small talk, humour, reserved statements of objectives and a casual approach to getting down to work: you don't arrive on the dot and work around the clock.

The varieties of humour available in the UK enable leaders to praise, change direction, chide, insinuate and criticise at will. They may even level criticism at themselves. Irony is a powerful weapon either way.

India – The emerging economy

In India, as throughout Asia, position in the hierarchy is the crux of more traditional, patriarchal companies. The concept of ‘peers’ is almost unknown in such organisations. Everyone is aware of his or her place in the overall structure, or feels uncomfortable until they are.

The first style of leadership in evidence in India is prevalent in smaller companies which are led by family members who work and live their lives in tightly-knit groups. In this feudal style, loyalty is rewarded.

There is a second, genteel style of leadership, heavily British-influenced, and seen in older leaders in larger industrial companies. The third style of leadership is US-influenced and visible in the new hi-tech companies. Younger executives see this as a breath of fresh air.

Common to all, and a product of outside influences, is high flexibility. This flexibility gives India a ‘soft competitive edge’ over the Chinese, who are less open to the rest of the world.

The language used by Indian leaders is spoken in many tongues, though at higher levels it is often English. Indian English, as used in more traditional companies, tends to be old-fashioned, flowery and verbose. It is a human, sympathetic language showing respect and often humility to the listener.

It is generous in praise, yet reluctant to criticise, since failure may quickly be attributed to bad karma.

Indian English excels in ambiguity, and truth and appearances are often subject to negotiation. Above all, it emphasises the collective nature of the task and challenge. India is far from being a classless society, but the groups will often stand or fall together in the hard world of the sub-continent.

This form of communication is counterpointed in the hi-tech, software world by a more direct, individualistic, results-orientated language – the product of education at US business schools.

LEADERSHIP BY CULTURAL CATEGORY

We have looked at three cultures so far, but there are over 200 national cultures in the world. Is it possible to classify them into types? One classification is the following model, whose main categories are described in the table below:

LINEAR-ACTIVE	MULTI-ACTIVE	REACTIVE
Talks half the time	Talks most of the time	Listens most of the time
Does one thing at a time	Does several things at once	Reacts to partner's action
Plans ahead step by step	Plans grand outline only	Looks at general principles
Polite but direct	Emotional	Polite, indirect
Partly conceals feelings	Displays feelings	Conceals feelings
Confronts with logic	Confronts emotionally	Never confronts
Dislikes losing face	Has good excuses	Must not lose face
Rarely interrupts	Often interrupts	Dosen't interrupt
Job-orientated	People-orientated	Very people-orientated
Sticks to facts	Feelings before facts	Statements are promises
Truth before diplomacy	Flexible truth	Diplomacy over truth

A rough guide to global cultural variations can be seen in this triangle, where countries are placed according to their dominant characteristics, or two key characteristics:

Leaders in **linear-active** cultures generally demonstrate task orientation. They look for technical competence, place facts before sentiment, logic before emotion; they are deal-orientated, focusing their own attention and that of their staff on immediate achievements and results. They are orderly, stick to agendas and inspire staff with their careful planning.

Multi-active leaders are much more extrovert, rely on their eloquence and ability to persuade and use human force as an inspirational factor. They often complete human transactions emotionally, investing the time to developing the contact to the limit. Such leaders are great networkers, working according to people-time rather than clock-time.

Leaders in **reactive** cultures are equally people-orientated but dominate with knowledge, patience and quiet control. They display modesty and courtesy, despite their accepted seniority. They create a harmonious atmosphere for teamwork. Subtle body language replaces excessive words. They know their companies well (having spent years going round the various departments), giving them balance and the ability to react to a web of pressures. They are also paternalistic.

The Americans and British are essentially linear-active, but the British have some reactive qualities (which can be an irritant to Americans.) Indians are predominantly multi-active AND reactive with some linear-active qualities taken from Anglo-Saxon cultures – previously the UK, but increasingly the USA. This mix reflects their flexibility.

CAN WE LEARN UNIVERSAL LEADERSHIP SKILLS FROM OTHER CULTURES?

Some traits of national leadership are peculiar to specific cultural contexts. Just by looking at the leaders countries elect for themselves, we can see that what works in one culture would not work in another. But there are qualities some cultures excel in, which we can all use, depending on the situation. For example we could take charisma from Italy and France, analysis and realism from Germany, and commonsense from the Nordic area. For the cultures we have looked at, perhaps we could choose:

USA: An ‘everything is possible’ attitude

UK: Diplomacy

INDIA: Flexibility



> By looking at the list of linear-active, multi-active and reactive leadership qualities, we linear-actives can learn a lot from the other two categories. Consider that none of the big emerging economies – China, India, Russia, Brazil – is especially linear. We would do well to understand them.

THE CHANGING FACE OF LEADERSHIP – NEW ROLE MODELS?

The US notion of the leader as a 'great man' is changing. Our political leaders are given less respect than ever. Changes in politics, business, society (think mass migration) and in our channels of information, mean new models for leaders are necessary. We have to cross boundaries as never before: between different cultures, but also in our conceptions of how businesses are run. Our competitors of today may be our collaborative partners of tomorrow.

Is there a role model for a style of leadership that suits our global knowledge-based economy?

FINLAND – A leadership style worth focusing on

Finland – current holder of the EU Presidency – has been a well-kept secret, largely as Finns themselves are modest. But you only have to look at the country's economic success rate to wonder how they have done it whilst maintaining a high level of social responsibility.

Consistently at the top of the World Competitiveness League; best education system in the world; home of Nokia and Linux; more Olympic gold medals relative to population than any other country - they must be doing something right. The last few years have seen experts from around the world knocking at their door to see how they have organised their society.

But what about the leadership behind it?

Although their style is rooted in rural Finnish values, it seems to serve them extremely well in the modern world.

Finnish leaders, like many British, exercise control from a position just outside and above the ring of middle managers who are allowed to make day-to-day decisions. Senior executives are decisive at crunch time and do not hesitate to stand shoulder to shoulder with staff and help out in crises. Action and implementation take precedence over words. In agrarian Finland quick action at harvest-time meant you survived the winter. Motivation can even involve a pessimistic or perhaps realistic assessment of the situation. Predominantly linear, they have a strong reactive streak.

Finnish leaders, though essentially democratic, are not afraid to play a more assertive role when obstacles get in the way of progress. As in all cultures – though it is not a hard and fast rule - leaders tend to have more multi-active qualities than their subordinates.

They can be cold, terse and factual in one mode, and then switch to a richer, more flowery mode when it suits their purpose. Finnish – an Eastern tongue – is more vibrant and sinewy than Scandinavian languages, with a much richer, adjective-strewn vocabulary, and no fewer than 14 case-endings. These features give the speaker far more linguistic options than most languages.

Finnish leaders keep richness of expression in reserve for general day-to-day address, but occasionally pull out all the stops when praise, encouragement or reprimand is appropriate.

KEY TRAITS OF FINNISH LEADERSHIP

Values

- Honesty
- Reliability
- Pragmatism
- Rationality
- Respect for others
- Humbleness
- Adaptability
- Realism
- Commonsense

Style

- Analytical
- Calm
- Decisive
- Result-orientated
- Trusting of perceptions
- Task-orientated
- Combination of individualism and teamwork

Communication Traits

- Introversion
- Use of silence
- Good listening
- Distrust of verbosity
- Directness

When looking at ways in which to support leaders, HR is spoiled for choice in theories of leadership. But if the true measure of leadership is results rather than charisma, you would have to go a long way to find a better case study than Finland.

¹'Cultural Influences on Leadership and Organisations: Project Globe',
The Wharton School of Management



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