

Differences in leadership styles of managers in vodafone

[Profession](#), [Manager](#)



While the phenomenon of leadership is widely considered to be universal across cultures, the way in which it is operated is usually viewed as culturally specific. Conflicting viewpoints exist in the leadership literature concerning the transferability of specific leadership styles across cultures.

Unique cultural characteristics such as language, beliefs, values, religion, and social organization are generally presumed to necessitate distinct leadership styles in different groups of nations. What is expected of leaders, what leaders may and may not do, and the influence that leaders have vary considerably as a result of the cultural forces to which leaders are subjected.

In multinational companies, in particular, people tend to bring along different types of business values, beliefs and background influence of their own cultures. With the cultural diversity in multinationals, managers are beginning to appreciate the importance of culture related to human behavior and performance. Therefore, this ever-growing tendency has inspired the interest of the author to identify the differences in leadership styles and the convergences as reflected in multinationals in Britain.

It is the leadership style that generate the important behaviors to the subordinates such as vision, shared value, and bring about the inside potential of the people at work. The complexity of worldwide operation, the advanced technology, and the multicultural societies generate the need for new leadership style to manage the multinational companies.

Vodafone is the largest international mobile operators, which headquarters in Britain and operates 27 subsidiaries and affiliates in Europe, the Middle

East, Africa, America and Asia-pacific region. So far its user accounts for 25% of total global mobile users. Although Vodafone registered in England, only about 1% of users from Britain, subsidiaries of outside contribute 87% to business income for group. Vodafone's market value achieves 720 billion pounds. Vodafone was registered in 1991 and only after ten years development it has obtained a very significant place in the world mobile telecom industry. As its users, most of Vodafone's leaders are from many countries (www.vodafone.com).

Research and objectives

This research focuses on comparing English and Chinese managers in the English context on the different leadership styles and the perceived competencies required by their subordinates. My primary objective is to investigate the differences of leadership styles and explore the cultural explanations behind these differences so as to discover core qualities of leadership style, which would be most critical to leadership effectiveness in Britain. Using a deductive approach and I will collect observations to address my hypotheses.

Literature review

Multinationals

Multinationals refers to those companies which have mines, factories and sales organizations and other assets in two or more countries or regions, under the unified decision-making system of the parent company, engage in international production and business operation activities. It can be established by a single country independently, also can be cooperative

managed by two or more national enterprises. Multinationals set up branch companies in many countries through the output of corporations' capital. Or control of local enterprises becomes his subsidiaries; engage in the production, sales and other operating. Multinational companies is the main carrier and undertaker of economic globalization, it relies on its capital, technology and management advantages, allocates resources and production factors all over the world, and has become the most active influential power in the process of economic globalization.

Culture

The concept of culture is widely used in international management, organization behavior, and human resource development literature to measure effects that can discriminate between countries and ethnic or occupational groups (Hofstede, 1997). Culture constitutes the successful attempt to adapt to the external environment; it presents a social group's shared strategy for survival.

Culture consists of patterns, explicit and implicit, of and for behavior acquired and transmitted by symbols, constituting the distinctive achievement of human groups, including their embodiment in artifacts; The essential core of culture consists of traditional ideas and especially their attached values (Hofstede, 1997); culture system may, on the one hand be considered as products of action, on the other, as conditioning elements for future action.

Leadership styles

Transactional Leadership

This leadership style focuses on the social interactions or transactions between leaders and followers (Yukl, 1994). Transactional leaders conduct their business by identifying the needs of their followers and bestowing rewards satisfying these needs for certain appropriate performances.

Transactional leaders motivate their subordinates through observing their performances and reacting to errors and failures (Ayman, 1993). They lay their focus on routine and competence values. According to Bass, this leadership style contains three different theoretical components (Bass, 1985):

Contingent reward-the leaders clarify what is expected from followers and what they will receive if they meet expected levels of performance.

Active management-by-exceptions-leaders focus on monitoring task execution for any problems that might arise and correcting those problems to maintain current performance levels.

Passive management-by-exceptions-leaders tend to react only after problems have become serious to take corrective action, and often avoid making any decisions at all.

Transformational Leadership

Rather than believing that they must act in accordance with their followers' expectations, transformational leaders work to change or transform their followers' needs and redirect their thinking (Bass, 1985). Leaders create a

vision of what the corporate culture can be and communicate it to their subordinates, stimulating them to develop their abilities while accepting feedback and suggestions. Leaders challenge and inspire followers with a sense of purpose and excitement with what can be accomplished.

Burns defines transformational leadership as follows: “ a transformational leader looks for potential motives in followers, seeks to satisfy higher needs, and engages the full person of the follower... Leaders develop a relationship of mutual stimulation and elevation that converts followers into leaders.”

Thus, transformational leadership can be viewed as relational and reciprocal (Bass, 1985).

Laissez-Faire Leadership

Transactional and transformational leadership styles are contrasted with laissez-faire leadership. Laissez-faire leaders abdicate their responsibility and avoid making decisions (Bass, 1990). Subordinates working under this kind of supervisor basically are left to their own devices to execute their job responsibilities (Bass&Seltzer, 1990). Although laissez-faire leadership is observed infrequently, managers still exhibit it in varying amounts (Bass, 1990). Prior research has found that laissez-faire leadership has an adverse effect on work-related outcomes of employees.

Basis of the research

This thesis adopts the cross-cultural and comparative approach to illuminate the differences in leadership styles between Chinese and English managers, by using transformational leadership style as a framework. I believe the root

causes generating these differences between the Chinese and English managers is cultural. This is a very important reason for me to investigate the differences and convergences from a cross-cultural perspective.

As these two cultures are so different, a certain kind of leadership style maybe caused by several cultural factors, and at the same time, one cultural dimension may have influence on several variables of the leadership process (Bass, 1985). Therefore, the author is trying to compare leadership styles in the aspect of culture. The preferred styles of both Chinese and English managers are hypothesized and a questionnaire survey will be conducted to obtain some data on leadership style preferences. In this way, the study will verify the five hypotheses about the differences of leadership styles between English and Chinese managers and hopefully can provide some hints of desirable leadership styles perceived by their subordinates.

The Research Issue

Vodafone was registered in 1991 and only after almost twenty years development it has obtained a very significant place in the world mobile telecom industry. Some of its managers are from many countries except Britain. In recent years, Britain and China have improved their cooperation in various fields, especially in the business field. IT and communication industry, in particular, are going through times of major change and development. Both the frequency and importance of cross-cultural contact between these two countries are unprecedented. On the other hand, these two countries differ so dramatically that leadership styles deployed by their managers have some significant differences. Hence my research question is:

Are there any significant differences in leadership styles between English and Chinese managers of Vodafone? The author will focus on examining the subordinates' opinions on the differences in leadership styles between English and Chinese managers.

The five hypotheses of leadership styles differences

Chinese managers are likely to exert idealized influence on their subordinates. They do not highlight employee empowerment while English managers tend to adopt empowering leadership. Laissez-faire leadership style is not prevalent in the Chinese contest.

Chinese managers tend to be inspirational motivating leaders, emphasizing the accomplishment and successes of the team while English managers tend to focus more on individual initiative and performance.

Chinese managers are unwilling to tolerate change and adopt intellectual stimulation; they exhibit management-by-exception behaviors. However, English managers tend to be willing to tolerate change and adopt intellectual stimulation.

There is a difference between Chinese managers and English managers in “demonstrating consideration”. Chinese managers tend to exhibit more individualized consideration behaviors than English managers do.

Chinese managers tend to judge subordinates' performance by their conformity to the group or by Guanxi while English managers tend to reward their subordinates contingent on their individual performance.

Methodology

The purpose of this study is to identify the differences in leadership styles between Chinese and English managers of Vodafone. To assess the leadership style the author used revised scales from the Multifactor Leadership Questionnaire (MLQ) by Bass. Beside this, the following methods are used in the research process:

Historic-logic method to determining previous research about differences in leadership styles of managers in multinational companies, which will be references of this research in Vodafone.

Analytical-Synthetic method to obtain results from the information and data of interview and questionnaire, to analysis the significant differences in leadership styles between English and Chinese managers of Vodafone.

Interview

In this research activity, I will ask the participants provide the following information firstly so that I may better evaluate my results. Ask them to write their responses in the lines or space provided and make sure that the answers must be confidential. Their participation is highly appreciated.

1. How old are you?

1) <20 2) 20-29 3) 30-39 4) 40-49 5) > 50

2. What are your gender and your educational level?

1) Male 2) Female 1) Under Bachelor 2) Bachelor 3) Master 4) PhD

3. What is your job title? _____
4. How long have you been in this position? _____
5. How long have you been in this company? _____ (Optional)
6. Do you have regular contact with Britain in daily work? 1) Yes 2) No

After the interview, all of the information must be taken into consideration to fill up the research report that combines my understanding of the relevant theory and the results of the interview research.

Questionnaire

To measure the leadership style at large multinational companies 27 questions from the Multifactor Leadership Questionnaire (MLQ) were used.

To construct this questionnaire, I first selected executives' statements and literature reports about charisma and contingent reward. Then, these statements were separated by trained judges into a transactional and a transformational part. Concerning the time limit and the trouble caused by a long list of questionnaires, author hereof chose 21 questions to construct this questionnaire, where each describes certain behavior. In addition, the author designed another 3 questions to measure empowering behaviors of leaders, thus making altogether 24 statements. On every one of those questions, the subjects have to choose between four different response alternatives: not at all; once in a while; sometimes; fairly often; frequently, if not always. With these alternatives, the subordinates can assess how often their leaders show

the described behavior. Thus, seven different leadership style scales exist in the questionnaire: four transformational, two transactional and laissez-faire.

This questionnaire contains statements about leadership style behaviors.

When completing this survey, please think of a specific manager in your organization to assess. It is preferred, if possible, that you assess your immediate superior. Below each statement, tick in the column (â^š) that represents how strongly you feel about the statements by using the following scoring system:

1, Not at all; 2, Once in a while; 3, Sometimes; 4, Fairly Often; 5, frequently if not always (appendix).

The questionnaire consists of 24 items and every item is scored with 0 to 4 points, 0 point for the alternative “ Not at all” and 4 points for the alternative “ frequently, if not always”. The questionnaire measures eight different scales, seven regarding leadership styles and one empowering behavior. The score for each scale can be obtained through summing up all corresponding items and then dividing that score through the number of items that compose the scale. The mean and standard deviation for each scale are calculated for all subjects so as to get the average measurement. (Bass, 1985) High scores on a leadership style scale indicate that the judged leader shows this style, respectively the corresponding behaviors, frequently.

Hypothesis testing base on the collected data

Based on the analysis of collected data, I think the five special hypotheses are tested as follows:

1. Chinese managers do not often endorse empowerment as English managers do. As regards idealized influence, Chinese managers tend to adopt paternalistic style, just like a loving father while English managers tend to adopt charismatic style with a strong desire to success. Laissez-faire leadership style is seen as negligence of responsibility so neither of them adopts it.
2. Both tend to emphasize the accomplishment of the team and talk optimistically and enthusiastically about the future and what needs to be accomplished. However, the personal communication reveals that English managers care more about subordinates' individual initiative and achievement.
3. The Chinese managers are not willing to tolerate change and stimulate different perspectives while English managers tend to be willing to tolerate change and stimulate employees to readdress old problems. Meanwhile the study has new findings concerning management by exception. Chinese managers tend to actively look for mistakes in follower performance and take corrective action when mistakes occur; English managers tend to wait to take action only when something goes wrong.
4. Under the impact of Confucianism and femininity-oriented culture, Chinese managers tend to exhibit more individualized consideration behaviors than English managers do.
5. Guanxi cannot determine Chinese managers' evaluation on their subordinates. Conversely, both of them reward their subordinate contingent

on their individual performance. What is different is that Chinese managers care more about daily performance while English managers focus on the result.

Some of the hypotheses are highly justified such as hypothesis 1 and 4. Other hypotheses are moderately justified such as hypothesis 2 and 3. Hypothesis 5 on contingent reward is not justified. The results of the survey also bring about some new findings, which are out of the author's expectation. For example, though both exert idealized influence on their subordinates, there are subtle differences between Chinese managers and English managers: Chinese managers tend to adopt paternalistic style, just like a loving father while English managers tend to adopt charismatic style with a strong desire to success. As regards Management-by-Exception style, Chinese managers tend to actively look for mistakes in follower performance and take corrective action when mistakes occur; English managers tend to wait to take action only when something goes wrong. Moreover, Chinese managers' emphasis on guanxi determines their individualized considerate behaviors but cannot determine their evaluation on their subordinates.

Ethical Issues

The ethical issue that should be addressed is that this study is concerned with opinions of the subordinates on their managers' behaviors under transformational framework. It did not investigate whether leadership behavior stemmed from leaders themselves, or arose from the specific context in which the leader-follower relationship takes place (House at el, 1997). Without due consideration of these factors, caution must be taken in

generalizing the results of the study. Therefore, the fact can change overtime. Anyone that uses the result of this study should be aware of the social and cultural change over period of time. This means that in the future if other researchers conduct this topic again the result may differ from this study.

Research limitations

Attention will now be focused on the methodological limitations of the present study. I think maybe the respondent rate is lower than expected. It is important that the respondent rate for this survey should be not too low, because if the number of samples was too small, it would not possess enough data information to conduct factor analysis and other statistical analysis for this study.

In addition, the research was designed using existing and established measurement instrument (MLQ) to assess leadership style. The MLQ was developed in the United States of America. Therefore, the scope and primary orientation of this tool is American, and it does not include all the aspects of leadership that may be important in other cultures. Leadership and culture may possibly have highly situational and temporal aspects not captured here. The benefits of using existing theoretical frameworks comes at a price that consists in the likely omission of important local facets of culture and leadership that were present but not captured by the research.

At last, in this essay, the author emphasizes the cultural aspects underpinning these differences in leadership styles. Actually, leadership

styles are also determined by many other factors in addition to cultural values both for the Chinese and English Vodafone managers. Briefly speaking, cultural values are the factors that orient the leadership style. It is the combined force of cultural values and other factors such as sex, age, personality, organizational climate and the specific contexts that finally decide which style is to be employed by each individual cultural member. Therefore, synthetic and all-around perception is needed in assessing leadership styles.