

# [Adapting leadership styles while organising commanies overseas](https://assignbuster.com/adapting-leadership-styles-while-organising-commanies-overseas/)

ADAPTING LEADERSHIIP STYLES WHILE ORGANISING COMMANIES OVERSEAS Organising a company essentially entails grouping activities and people to attain specific objectives for which processes are designed. A manager is placed above each of these groups for supervision and the managing director undertakes the task of strategicaly integrating the groups laterally as well as vertically. (Koontz 1986: 162). A managing director thus has an all-encompassing task of ensuring functionality of the organization through streamlined working of groups. The managing director must understand that while good people can make any organizational pattern work, it is essential that they know each other's role to work most effectively. (Koontz 1986: 161). This essential aspect needs careful consideration when an organization is being established, in an alien environment particularly in relation to the style of leadership adopted by the managing director.   
There are numerous classifications of styles of leaderships given out by management thought leaders. When based on use of authority and decision-making these have been indicated as autocratic or that denoted by command authority of the leader with a benevolent authoritative being its softer version. Democratic, which has, participative and supportive as its sub types entails consulting subordinates and encouraging their participation in decisions. While a free rein style restricts a leaders role to that of aiding operations of followers. (Koontz 1986 : 400). Another study includes styles as charismatic, servant and quiet which are self-explanatory and in one form or the other follow the pattern denoted by Koontz. (Changing minds. org). Rensis Linkert has carried out a more rigorous study of styles and come out with four systems giving various combinations. Thus System 1 is exploitative - authoritative where the leader is focused on achieving results through coercion without any concern for welfare of the people in the organization. System 2 is benevolent - authoritative which demonstrates some concern for the people but the leader takes himself all major decisions. System 3 is consultative where the leader is receptive to ideas and suggestions from bottom up but major decisions continue to be taken by the principal. System 4 is participative leadership wherein decisions are taken with maximum participation thereby ensuring total involvement of the implementors in the activity. (Changingminds. org). Some dynamic leaders who appear to be most successful adopt a leadership style which is situational. Thus in a crisis situation where quick decision making is a matter of life and death, these adopt the authoritative style while where the cost factor is high and time is not at a premium go for a consultative style, obtaining a 360 degree feedback.   
When a principal is planning to establish a new office abroad in a foreign environment, culture will also be a major issue. There needs to be innate perception of the culture particularly when it concerns different country's which would involve people with varied language, ethnicity, educational and work ethos. Hofstede or Trompenaar and Hampden-Turner have carried out various studies on variations in national cultures, which bring about the differing priorities that countries place upon various factors and for looking at it through an international lens. (Changingminds. org). Understanding cultural blind and hot spots is as important as managerial efficiency in other spheres. The mantra appears to be adopting the target's cultural approaches. Seeing some examples, the Indian cultural environment viewed from the management point of view may appear quite permissive to a director used to working in an European or British environment. There may be persistent anti colonial biases, which need to be accounted for. The Chinese on the other hand have a centrally regulated approach in which functioning is much smoother, however there would always be an attempt to retain overall control creating uncertainties in strategic management. Similar variations could be evident in different countries, which need to be individually analyzed.   
  
A marine organization say in the field of port administration will have a number of varied groups. For example the Hong Kong marine department responsible for port operations has listed a large number of tasks that it carries out to include, vessel traffic management, harbor patrol and local control stations, carriage of dangerous goods, pilotage service, local craft operation, hydrographic service and port planning and development. (info. gov. hk.). All are complex assignments which have been grouped in separate organizations which are relatively self-governing. The task of the managing director will thus be that of effectively networking these into a homogenous whole for smooth management of port operations.   
Keeping all the above facets in view, the organizational design would have to be made to order and cannot be blindly replicated from one model to another. As Peter Drucker has emphasized it would have to be within a conceptual and practical framework fitting the reality of the situation. (Drucker: 1980. 599). It would not be enough to work on the integration of capital, technology and management but also on the industrial and entrepreneurial skills. (Drucker 1980: 758).   
The managing directors style of leadership as we have seen will certainly affect the method of organizing the company in many ways. This will be determined essentially by a number of cultural factors, which would be different for all countries. Thus in a country as India, the Exploitative - Authoritative may not be effective but the Benevolent authoritative may be the right approach given the need for firmness in achieving targets without appearing to be domineering. While the participative one will just work fine in a Japanese environment where the workers are well attuned to contributing effectively in the decision making process and with a work culture which is amenable to give more to the organization successively over the years. The situational leadership model with a bouquet of styles will be an ideal solution, however it is most difficult for every manager to adopt, hence can only be proposed as a suggested palliative. Many managers may be able to adopt it given their natural proclivities or after studied practice over the year's others may remain authoritative in every place and situation. A detailed analysis of each country and each managing director would determine the course to be adopted.   
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