

## **Western leadership development and Chinese managers: Exploring the need for contextualization**

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**WESTERN LEADERSHIP DEVELOPMENT AND CHINESE MANAGERS:  
EXPLORING THE NEED FOR CONTEXTUALIZATION**

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## **Abstract**

*This paper explores if, and how, Chinese managers perceive Western theories of leadership and leadership development as useful in their business environment. Based on a text analysis approach analyzing term papers of 171 MBA students, this study finds that virtuous leadership is valued the most, whereas authoritarian leadership is valued the least. The respondents are oriented both towards traditional Chinese philosophy and Western leadership theories, and predominantly view leadership development as a necessary contribution to the improvement of Chinese organizations. Concerning the identification and assessment of leadership potential, Western techniques are predominant; sometimes with controversial effects. The study concludes that leadership development techniques need to be adapted to the national context and recommends the role of espoused leadership in cross-cultural MBA classes for future research.*

# **DO CHINESE MANAGERS EXPERIENCE WESTERN LEADERSHIP**

## **DEVELOPMENT THEORIES AS USEFUL?**

### **INTRODUCTION**

Management education with Western origins has become very popular in China indicated by a rapid increase in MBA programs throughout the last decade. Following a global trend, an important element in this education is leadership development (Khurana, 2007). The recent Chinese growth has involved vast foreign investments, joint ventures and exports, demanding that Chinese managers adapt to international practices. At the same time, China's business success is probably also dependent on China's local "social capital" (Bourdieu, 1983; Coleman, 1988; Lin, 2001), connections within and between social networks, shaped by the culture. Effective Chinese managers must cope with both global and local contexts to succeed, exposing them and their international partners to many challenges. Leadership development activities have been viewed as a possible key to cross-cultural business by multinational corporations (MNCs) and state-owned enterprises (SOEs) in China (Cheung & Chan, 2005).

However, the adequacy of Western-style leadership education has been questioned by some writers (Currie, 2007). Present-day evidence is barely sufficient for evidence-based leadership development programs in the West, let alone for predicting the effectiveness of programs across cultures (Collins & Holton, 2004; Day, 2001). The optimal approach

may be to address the *perceived needs* of the people involved and build on a combination of research-based practices and best-practice descriptions (Fulmer & Goldsmith, 2001).

The authors of this paper have been organizing and teaching in a joint Sino European MBA program with one of the longest histories in this field, dating back to the 1990s. Initially, there was a strong focus on adopting the Western models and little awareness on any side about how to contextualize the teaching to ensure more relevance to the Chinese working environment. With growing Chinese self-awareness, international research and development efforts, a stronger concern for and knowledge about indigenization of management teaching has appeared. The development of our program has given us first-hand experience of the challenges posed to teachers, practicing managers and researchers. Our students have contributed a vast material of experience, viewpoints and reflections during this process.

Our paper aims at two contributions: the first is to explore and illuminate how internationally experienced Chinese managers perceive Western leadership theories and development ideas as useful or in need of adaptation to Chinese circumstances. This can contribute to the understanding of leadership in cross-cultural settings. The second is to show how these managers' perceptions of leadership development are linked to Chinese cultural traditions, implicit leadership theory and current business environment. By sharing our experiences and trying to contextualize academically-based leadership teaching within a Sino-

European joint program, we hope to offer valuable input to the design of effective leadership development activities for companies operating within the Chinese cultural domain.

Leadership in the West and in East Asia has different cultural roots and is practiced differently (Chen & Lee, 2008). Possible overlaps or discrepancies between leadership in the East and West have been subject to a wide range of studies since China started to make its impact on the business arena (cf. Jones, 2006). While some lines of research indicate that there are substantial overlaps in global perceptions of transformational leadership (e.g. the GLOBE studies – Hartog, House, Hanges, & Ruiz-Quintanilla, 1999), other studies show differences in, for example, Chinese implicit leadership theories (Ling, Chia, & Fang, 2000) and Chinese and Western leadership stereotypes (Tsui, Wang, Xin, Zhang, & Fu, 2003). Numerous studies explore the link between China's socio-cultural roots and business leadership, for example, the historical cultural influences on Chinese leadership (Huang, 1988; Wong, 2001), the Confucian path to leadership (Fernandez, 2004), Taoism as a basis for the leadership of virtual teams (Davis, 2004) and the usage of personal relationships in the way referred to as *guanxi* in leadership (Chen & Tjosvold, 2006; Wood, 2002). Purely local Chinese practices of leadership have also been studied, such as middle and lower managers in Chinese township and village enterprises (Fu, Irene, & Zhang, 2001), or “desired leadership” attributes in printed media in China (Fu, 2003). Other studies take a close look at efficient leadership in joint ventures or foreign ventures (Chen & Tjosvold, 2005; Li, Xin,

Tsui, & Hambrick, 1999; Neubert & Wu, 2006; Smith & Wang, 1997; Wang & Satow, 1994). A recent book edited by Chen and Lee (2008) has also attempted an integration of the historical roots of Chinese leadership philosophies.

For cultural and historical reasons, mainland China has not, until recently, had a tradition of explicating leadership theories (cf. Nisbett, Peng, Choi, & Norenzayan, 2001), or conducting such research or producing explicit literature on *leadership development*. The cultural revolution and the closed market during Mao's rule created a leadership gap in international businesses in China which has been met with formal MBA programs at business schools and international human resource management (HRM) consultancies (Jones, 2006; Li, Xin, Tsui & Hambrick 1999). The management education market has seen an almost explosive growth of MBA students, increasing from less than 100 in 1991 to 212,000 students in 2008, among which approximately 100,000 have graduated (Ma, 2008). Additionally, MNCs have set up training programs based on their usual in-house procedures. Useful leadership development in China has to bridge the gap between leadership theories – dominated by Western concepts – and the Chinese context. The exposure of Chinese students to Western theories and practices in MBA programs and training programs has thus been noted to raise issues of relevance and understanding (e.g. Currie, 2007; Tsui, 2006; Tsui, 2009). Teaching on this level needs to address the students' needs on their

appropriate level of managerial positions, but general MBA modules leave little room for extensive adaptation to industry or type of ownership. MBA programs advocate knowledge supposed to teach “leadership” across a wide range of organizational settings (Khurana, 2007). But does this assumption hold? When teaching leadership in a context far from the origins of theory and research, several risks are involved:

- a) the focus topics may be incomprehensible or irrelevant to the participants’ working situation;
- b) the suggested “correct” answers may not ameliorate the problems or actually make the participants less likely to succeed in their jobs; or
- c) the taught approaches may interact with local tacit knowledge to produce a different outcome from that intended by the teacher.

The low level of voice behavior in traditional Chinese teaching situations reduces the teachers’ possibility to self-adjust during the teaching process and frequently the candid feedback is only offered *after* the course

Therefore, introducing leadership development practices in a cross-cultural setting raises the following issues:

- (1) Concepts and values: will the possible cultural differences in the concept of leadership influence the relevance of leadership development courses in China?
- (2) Measurement and identification techniques: is it possible to use Western measurement techniques to identify leadership potential and

guide leadership development in China, or are other talent identification practices warranted?

(3) Developmental approaches: are common Western approaches to leadership development perceived as applicable in China, or do they collide with particular Chinese issues involved in developing leaders?

While a growing literature has been investigating the differences in the cultural traditions of leadership in East and West, fewer studies have focused on whether leadership development practices are being experienced as interesting and useful ways of improving leadership skills. To the present authors, this actually posed a practical problem – we were offering a program to Chinese managers based on current Western standard theories and teaching practices. The managers would probably not be in a position to judge critically to which extent the teaching offered was appropriate to their work situations, but they would very likely have opinions and feelings about this once they participate in class and at the latest when they reflect on it afterwards. How could we gain access to these experiences on behalf of the managers, and use them to inform the content and form of our teaching approach?

Our research question stems from our aim to enhance the teaching of useful leadership practices to Chinese managers, and reflects our need to indigenize the materials, in the following way: what are the concepts that practicing Chinese managers use when describing good or inadequate leadership, how would they identify leadership potential, and how do

they experience Western theories of leadership and leadership development as compatible with their own experience?

## METHOD

Our methodological point of departure was an attempt to make the students' own ideas as explicit as possible. The success criterion here would be to inform and change the course in a way that would increase the sense of relevance to the students. In that sense, the present paper represents a type of action research (Greenwood & Levin, 1998), and we will reflect specifically on this issue towards the end of the results section. Moreover, the tacit presumption in much nomothetical social science is that the discovered relationships are culturally invariant, which could mislead the teachers to assume that their knowledge is by definition relevant, and that the students' skepticism is due to a lack of understanding. Based on previous attempts at applying Western business theories in China, Redding (2005) discusses how authority is embedded in complex structures of culture, social and human capital and claims that "thick descriptions" (Geertz, 1973) are needed to describe differences that are inadequately represented by statistics. From the perspective of leadership development, Day (2001) argues that leadership is probably best understood as a phenomenon in context, drawing heavily on social capital such as trust and relationships. Therefore, our research addresses the descriptions used by the acting managers themselves – "thick" in the sense that they comprise the collective impressions of almost 200 practicing, internationally

experienced managers. Adding to the “thickness” of the description, we also reflect on our practical experiences in the classroom

### **Sample population**

Our sample consists of 171 managers attending the same part-time MBA program at a business school in eastern mainland China throughout 2006 and 2007. Just over half (58%) of these students were men, and the mean age was 34 years ( $SD = 4$  years). The most frequent pre-education level was a bachelor degree – 55% of the students had obtained their degrees in Shanghai, 5.8% abroad and the rest from various regional Chinese universities. In addition to at least 10 years of working experience and five years of managerial practice, a fluent level of spoken English and relevant work experience were prerequisites for them to be admitted. This implies that 161 participants were titled some kind of “manager”, seven as “general manager” and three as “consultants”. At the time of participation, the majority (79%) of the sample worked for MNCs (including several Fortune 500 companies and non-US companies of the same global scale), which operated both in other countries and in China, and 21% worked in influential Chinese companies. The turnover among this type of employees in the Yangtze Delta area is around 20% per year, so there is no reason to believe that their experiential background is restricted to their present employer at the time of entrance to the program. We were therefore not making analyzes on the level of type of company such as nationality, state-owned etc.

### **Empirical materials**

Our research approach is a qualitative analysis of the participating managers' experiences of leadership development. The Chinese learning tradition has traditionally inhibited the spoken exchange between students and teachers in the classroom. Though this situation has changed in recent years, the verbal exchange in a predominantly Chinese class differs distinctly from that of a Western class.

We decided to create term paper assignments that could stimulate the students' reflections and feedback because of the need for the program to improve and indigenize the teaching. Therefore, the participants were required to submit papers reflecting on good leadership practice, and the usefulness of Western leadership development techniques in a Chinese context. The exact wording of this question was: "Given that the study of leadership is a predominantly Euro-American research field, which specific challenges arise when considering leadership development in a Chinese context?"

The assignment was thoroughly presented in the class, and to ensure individual and original responses, the students were told that these sections would be evaluated according to their respective levels of reflection and their individual character, based on personal experiences. Explicitly asked to discuss personal experiences, the students' impressions were not elicited by a pre-defined list of variables. They are the respondents' own reflections about what puzzled or inspired them, what was felt to be lacking or attempts at illustrating points using examples familiar to their context. Other sections of the assignments

were more explicitly reserved for the students' need to document their knowledge informed from the course readings, asking specific questions.

Term-paper evaluations could arguably create a strong pressure towards uniform, socially desirable answers that do not reflect the opinions of the managers, but merely attempts to obtain a good grade. However, these managers invest more than one year's pay to enter this program and had previously shown a strong will to voice their opinions of the usefulness of the program. In this respect they were behaving more as customers demanding practical relevance and value for money. By offering them an arena for giving "correct" answers and, simultaneously, an arena where individual reflection is valued, we hoped to open a sincere dialogue where the managers/students could communicate openly with the teacher. By sometimes failing to understand, the students also give us involuntary insights. We believe that the combination of voiced reflections, patterns of understanding, and student satisfaction surveys provides us with material rich enough to be worthy of analysis and communication.

The 171 term papers, which were submitted as Word documents, were all entered as material in a database using the program N-VIVO for analytical purposes. The three authors all read the papers and made joint decisions on which excerpts to include in the final source document as "personal reflections" (as different from mere factual answers to questions). These personal reflections alone constituted altogether more than 12,000 lines of text.

The resulting materials reflect considerable individuality and sincerity in evaluating the leadership development practices to which these managers had been exposed. We used N-VIVO exploration tools to mark and collect the occurrence of main concepts in the text. The main concepts we looked for were:

(1) Examples of good and bad leadership. We did not want to impose a priori ideas of desirable or undesirable leadership on the text, but chose instead broad concepts of “good” and “bad” leadership. This is not normative, but simply instances of leadership that the managers themselves assumed to be worthy of copying or, conversely, examples of leadership to be avoided. If the aim of development is to improve leadership, we think these examples express the kinds of problems that developmental efforts should ameliorate. These broad concepts were further broken down into more specific descriptions of leadership styles or phenomena such as authoritarian, charismatic, participating etc.

(2) Developmental techniques such as leadership potential identification, assessment and feedback. How do Chinese managers react to Western attempts at identifying and assessing their leadership behaviors and talents, and what alternatives do they have? Which types of techniques have they been considering in practice or theory, and how do the managers perceive the usefulness of these techniques? We created scoring categories for specific techniques described, as well as explanations for why they would be useful or not.

In the following quotations from students, we retain the original words regardless of their sometimes obvious linguistic mistakes, in order not to restrict the semantic implications of the statements.

## RESULTS

### **Examples of good and bad leadership – what is perceived as good leadership and which practices should be avoided**

The following section of results reviews the various viewpoints on effective and non-effective leadership in China, starting with the positive descriptions.

#### *Good leadership – descriptions of successful leadership in China*

Table 1 lists the types of traits, competences and practices that the participants mentioned in descriptions of successful leadership practices in China. The first three categories accounted for a total of 76.5% of all the positive leadership descriptions and were descriptions of categories of leaders.

Table 1:

Leadership Styles and Behaviors noted as Positive Leadership

<i>Styles, %</i>	
Virtuous person	34.5
Transformational leader	24.4
Charismatic hero	17.6
Relationship-based leader	16.0
Autocratic decisive leader	7.6
<i>Instances mentioned in total: 199</i>	
<i>Behaviors and skills, %</i>	
Attentive to talent and learning	18.2
Communication skills	13.6
Consideration	10.2
Delegation empowerment	9.1
Collective identity building	8.0
Flexibility	8.0
Awarding outstanding employees	5.7
Indirect or servant leadership	5.7
Putting organization before family	4.5
Analytical and cognitively complex	2.3
Capable of achieving results	2.3
Giving face to others	2.3
Harmony and solving conflicts	2.3
Long-term orientation	2.3
Visibility	2.3
Change orientation	1.1
Open discussion	1.1
Pioneering bravery	1.1

The positive descriptions of leadership were predominantly based on individual characteristics, whereas the descriptions of positive leadership behaviors or skills were fewer and took a less structured shape.

*Virtuous leadership:* Moral leadership is characterized by a higher degree of personal integrity, self-cultivation and selflessness. Moral leaders should demonstrate behavior that conforms to social norms and virtues to set an example to others, and should demonstrate that their authority is not only for personal benefit but also benefits employees and the local community.

In our research, we found that 34.5% of the positive leadership descriptions concerned “virtuous leadership”, a finding in accordance with the research on implicit Chinese leadership theories (Ling, Chia & Fang, 2000). This is a view that excellent leadership emanates from knowing and observing a complex ethical code, more often than not explicitly based on Confucian teaching. The managers often noted that this is more than a mere list of virtues: “The nature of virtuous leadership is complex and multifaceted”. These values were praised as keys to success both in historical examples and in the autobiographies of modern-day business heroes. The most frequently cited virtues by the managers were: acting as a moral role model (by far the most important), kindness, trustworthiness, benevolence, learning, harmonious relationships, obedience, filial piety, righteousness, collectivism, loyalty, persistence, selflessness and wisdom.

The managers claimed that an effective virtuous leader would have an impact on the organization, because the unquestionable moral qualities of the leader could be rewarded with unquestioning obedience from their followers. The ensuing effect would cause swift-reacting organizations, which were regarded by many managers as a main reason for China's industrial capacities in history and at present.

*Transformational leadership:* Of leadership descriptions scored as "transformational", 24.4% were in most cases so labeled by the Chinese managers themselves, and the concept is no doubt used as a result of being informed by the course. The interesting part, however, is how the students described possible consequences of this view on leadership in their working context. The common denominator was a view of leadership as a necessary ingredient for modernizing and globalizing the Chinese economy, and of leadership as a set of behaviors that in principle can be learned.

Four aspects of transformational leadership turned out to be particularly attractive to them. First, the transformational model of leadership is seen as a complex, but specific, set of behaviors. This is compatible with the Chinese interest in pragmatics and distaste for sociological abstractions (Redding, 2002). Second, by including the transactional perspectives, it integrates views on discipline and control with the acceptance of punishment that still exists in some Chinese organizations (Chow, 2005). Third, the emphasis of transformational leadership on stimulating higher-order needs echoes the moral dimensions of paternalistic leadership. Paternalistic leadership is commonly observed in Asia in

which strong authority is combined with concern and considerateness. Fourth, the charismatic aspect of transformational leadership contains the elements of the Chinese paternalistic leader.

Transformational leadership is seen as an interesting alternative to traditional leadership practices because of the focus on intellectual stimulation. “So, in China, if we really want leaders and managers to develop a healthy work environment, the company culture should adapt healthy approaches like open communication, realistic talking about the facts, more objective instead of subjective.” The intellectual rigidity that results from paternalistic compliance was a common concern of many managers in this sample, because it limits true innovation (cf. Jung, Chow, & Wu, 2003). Besides, there are those who point to “individualized consideration” as a means of enhancing learning and development based on individual needs that otherwise go unrecognized in collectivistic leadership. “Transformational leadership” seems to offer a possibility for leadership learning that is particularistic enough to a Chinese clientele.

*Charismatic leadership:* Some managers in this sample expected certain types of leaders to have an energizing effect on the organization. Explicitly referred to as “charismatic”, this could be adopted as deliberate leadership tactics. The managers seemed to be well aware of the double-sidedness of charismatic leadership. On the one hand: “Compared to participative leadership style, the charismatic leadership style is more efficient and quick to achieve miracle goal if the leader is qualified to the right thing”. On the other: “Decision of these leaders

reflects a greater concern for self-glorification and maintaining power than for the welfare of followers”.

*Relationship-based leadership:* The relationship or *guanxi* phenomenon is paramount in getting things done for Chinese leaders. “If a leader has good ‘*guanxi*’ with his/her subordinates, he may have more respects and reputation and then also have a good authority in performance for his/her subordinates are willing work hard for him/her. In Chinese language, it is called ‘get twice the result with half the effort’.” This also goes for the exercise of power: “The successful leader is more likely to use person power in a subtle, careful fashion to avoid threats to the others”. The *guanxi* between a leader and the subordinates is in many ways the very essence of the paternalistic contract:

“The authority of a Chinese leader thus arises from subordinate dependence, and the effect of paternalistic leadership on the effectiveness of subordinates is different according to the degree of dependence. In a West[ern] organization, generally job performance is the most critical factor to a subordinate’s performance. But in China, besides job performance, the loyalty is also an important factor to the individual’s performance”.

Apart from influencing the relationship with followers directly, a leader’s *guanxi* will be noticed and constitute part of this leader’s personal assets: “In China the value placed on leaders’ ability to manage relationships with employees often is prized more than any other skill ...”. Even if the emphasis on *guanxi* is likely to diminish with

economic development, the managers do believe that this tradition will prevail. “We only have to look at Hong Kong or Taiwan to see *guanxi* survive in modern, rule-of-law societies.”

This can be a tough challenge for non-Chinese leaders. “The energy for factory workers is not coming from the power of overtime salary, but the relationship of the Chinese leaders. Chinese top management has different ways to build and maintain the good relationship with employees. This is obviously not the ability of our foreigner leaders. In China, no relationships, you’re nobody.”

*Autocratic leadership:* Despite the strong tradition of authority and power distance, there are few managers who singularly praise the autocratic decisiveness of the dominant type as exemplary leadership. Some managers see the display of decisiveness as necessary to fill the role of the virtuous leader and to avoid uncertainty on behalf of the employees: “It will be considered as non-competence if the leaders always share his authority with and get ideas from his team. Leaders must not be afraid to use power, and use it in a balanced way to refrain from creating rebellion but ‘punish chronic troublemakers’”.

*Attention to talent and learning:* The appreciation of knowledge and encouragement to engage in learning is mentioned by many of the managers as important to leadership, both because of the instrumental effect on the organization and on the employees’ motivation, explicitly underscored by several managers. “The most famous leaders in Chinese history are the ones who can lead the people [with] more wisdom, more

capable than himself.” The emphasis on knowledge is also based on the Confucian ethics.

*Communicative skills:* One could think that the tendency to obedience in successful paternalistic leadership could reduce the need for communication, but a number of communicative obstacles arise from the specifically Chinese pattern of interaction between leader and followers. For one, the tradition of not contradicting superiors does not mean that the leader will have it their own way automatically: 上有政策，下有对策 (“shang you zheng ce, xia you dui ce” – policy once forced from superior, countermeasures would be pursued by subordinate). Subordinates in a paternalistic culture need very specific directions and explanations for where to go, as they will be apprehensive of uncertainty and outright annoyed by lofty visions without practical details: “The leadership should provide a clear picture!” The communicated message will have to be sold over and over again with an enthusiastic, energizing effect. Meanwhile, however, there are just as many managers who emphasize the need to create two-way communication and empowerment.

Finally, good leaders are recognized in China for being flexible or pragmatic. Probably due to the acknowledgement of complexity in leadership, the ability to choose from different options is an asset to good leaders.

*Negative descriptions of leadership in China*

A total of 78 examples of ineffective leadership were described. The attributed causes for bad leadership were analyzed and counted (Table 2).

Table 2: Examples of Bad Leadership Mentioned, by Cause of Dysfunction

<i>Main category:</i>	<i>%</i>
Authoritarian leadership	39.7
Classic authoritarian style	35.5
Heroic infallibility	54.8
Paternalistic benign but ineffective	9.7
Hidden power games	15.4
Hierarchy problems	10.3
Lack of individual initiative and responsibility	10.3
“Every new sovereign brings his own courtiers”	9.0
Bad communication	7.7
Lack of flexibility	6.4
Unpredictability of relationship governance	6.4
Short time focus	5.1
Lack of formal management education	3.8
<i>Number of instances: 78</i>	

The most important complaint was about authoritarian leaders, accounting for almost 40%. These again fell into three different types:

(1) The most frequent case of bad authoritarian leadership seemed to be the charismatic, initially successful leader who adopts an overconfident, autocratic approach (54.8% of the authoritarian examples). This type of leader seems to be tempted by an attitude the managers described as a

Chinese vulnerability towards charisma: “You could be the God and create Chinese myth”.

(2) The second group was the classic authoritarian type of leader who makes all the decisions and does not even seem to care about others: “They make the employees’ right hurt, do interpersonal relationship stressed and working pressure increased. How to set the correct goals for employees, how to secure their fairness, and how to increase their satisfaction level should is a key problem in China”.

(3) The third type was the paternalistic leader observing the virtue of “kindness” who benevolently but inefficiently tries to care for the members of the organization. “This kind of ‘good old chap’ leaders emerge everywhere in China ... But the ‘kindness’ character may be an obstacle to a decision process or the communications with subordinates.”

This kind of leadership is inadequate due to over-reliance on the traditional mechanisms of followership. Similar findings are known from the West (London, 2002), but the patterns may be different in China because traditional followership is influenced by Confucian respect for authority. The most particularly Chinese phenomenon is an over-reliance on relationship-based leadership referred to as “every new sovereign brings his own courtiers”. Several managers in the sample complain that organizational operations and core competence are disrupted by management successions because of the tendency to replace whole groups of loyal followers. This is also linked to the second most cited complaint: hidden power games in the organization. One

respondent claims that the national soccer team suffers from recruiting players by *guanxi* instead of talent.

Some of the managers welcome a change from the reliance on networks:

“Although people believe in China ‘*guanxi*’ and things related to ‘Face’ is something extremely important, I think the situation is going to change. Unveil the mystery veil of market economy for last 20 years, Chinese learn how to be responsible for themselves instead of rely on a net of ‘*guanxi*’ to survive”.

### **Developmental techniques, assessment and feedback**

Chinese managers here hold a mixed view of the current situation and the future of leadership development, reflecting differences in their working experiences:

(1) Some managers have made their careers through established structures with a past history of leadership development as provided above all by the Chinese Communist Party cadre schools: “Although 360 degree feedback sounds new to most of youth, in the communist party system, it has been deployed at the very beginning of the party foundation. All the other programs such as training/education, job rotation, challenge assignment, feedback and improvement plan, mentoring, etc, are already used in the party”.

(2) Some managers have made their careers in Chinese subsidiaries of MNCs with a broad exposure to global or Western leadership

development practices: "... most multinational companies have introduced their headquarters' leadership system into China for a couple of years. For example ... the company I am working for implemented a ... program in China almost a decade [ago]".

(3) A great many of the managers have experiences from organizations originating after Deng Xiaoping's reforms, where the rapid expansion, vast possibilities for business and shortage of leadership potential have created a vacuum in leadership supply. These managers have experienced many kinds of approaches: the soft-spoken success of traditional Chinese wisdom, the inefficiency of stale practices in the SOEs where: "there is little integration of leadership training and developmental activities with each other or with related human resources practices such as performance appraisal, career counseling, and succession planning". They have seen ethnocentric Western companies claiming to have all the answers. Many have seen no leadership development at all. However, whether because of the traditional respect for learning, or because of a genuine acknowledgement of the need, all managers seem to agree that leadership development is:

- (1) A necessary component to fill the need for able Chinese leadership.
- (2) A help that needs to address the future of the developing Chinese market economy and public sector.
- (3) A field that can profit from Western practices, but that needs some adaptation to local circumstances.

So, what are the impressions of known leadership development practices and their usefulness?

*Traditional leadership capability identification and assessment:* These managers view traditional Chinese identification of leadership talent as a careful examination of the key person's possession of virtues. This is described as a holistic judgment based on "feeling", not a criterion-based screening, and moral conduct is a prime identification of leadership talent in this system: "... the first principle of recruitment is morals (capacity is accessorial)".

*The effect of developmental efforts on guanxi and face:* Since there are almost no traditions for targeting leadership behaviors for measurement, feedback and training, the mere suggestion of such practices may alarm an aspiring Chinese leader. As one manager notes: "Some managers may object if they are asked to take part in a basic management skills program: they may feel that doing so will be a loss of face".

Job rotation is seen by several managers to contain similar threats. Having a new job without any sure signs of promotion may look like being degraded to others, thus causing concern for loss of face.

So what are the reflections of Chinese managers and their co-workers after exposure to the Western developmental practices?

*The practice of 360 degree (multi-source) feedback:* The usefulness of 360 degree feedback in China is highly disputed among the managers in this sample. The Confucian spirit is itself a hindrance to multi-source

feedback as an instrument for voicing intensely felt opinions, because it may cause concern about “face”. However, those with a first-hand chance to study and compare Chinese managers with Western expatriates say they do not see great differences in how the managers receive the feedback: “The defensive people always tend to be defensive, and objective people remain balanced”. Still, many observe that their Western colleagues use feedback as an opportunity to raise their concerns, while the Asians are more restrained by politeness in their way of scoring and most often leave fields for comments blank.

A recurring concern is that when the multi-source surveys are used for ratings with possible promotion or bonus consequences, the respondents will inflate the scores because this is an opportunity for building *guanxi* with their superiors rather than giving accurate feedback. Similarly, the respondents assume that there is always a fear that such surveys can secretly be used to measure loyalty. Some of them have experienced cases of secret codes on the survey feedback sheets that can be used to track single respondents’ opinions about their superiors. Whether warranted or not, such fears are likely to affect the survey data.

*Personality tests:* There are also contradicting views on this issue. On the negative side are those who claim that personality is of little interest because of holistic organizational considerations, because of collectivistic thinking reducing the interest in individual agency and because of a general disbelief in personality tests. Finally, concern about “face” could make Chinese people speculate overly in social desirability.

The positive voices are about the same number. They see that the use of personality tests is spreading in China, with positive consequences of this in education, selection and self-awareness development, and note that personality tests belong to the tools of making hiring processes rule-based instead of relationship-based. Some even believe Chinese people are particularly interested in personal assessment in an arena free from *guanxi* and “face” issues. They often mention the CPAI (Chinese Personality Assessment Inventory) that includes measures of *guanxi* as the sixth personality factor called “Harmony in interpersonal relationships”.

*Job rotation, action learning and project assignments:* These were the kinds of activities that the managers in our material would most naturally think of. These issues would not ignite many discussions or debates and it is our impression that learning from assignments is an intuitively appealing practice in China. The comments we found would mostly be concerned about the concept of “job rotation”. Being rotated easily gives colleagues, family and network an impression of having failed in the previous assignment. Several students describe in themselves, or in colleagues, a reluctance to be moved around by external headquarters that would not pay sufficient attention to the face issues involved. On the other hand, several students would warn against inflation in titles and name cards that stem from masking new assignments as promotions. Some would also comment on the undue power balance that could stem from managers who were building up

personal networks in positions, and that they would bring with them as “courtiers” when leaving a company.

*Team-building:* Team-building has been a buzzword among leadership and organizational development techniques in the West, referring to a wide range of more or less focused interventions to enhance cooperation and understanding of groups (Salas, Rozell, Mullen, & Driskell, 1999). Some managers just mention that these practices are known to them, but not widely used, but many describe group games and various types of outings as interesting to them, and as having beneficial results on group performance and business efficiency. This is probably one type of leadership development technique that goes very harmoniously with Chinese thinking: “Chinese leaders usually emphasize the group mission, stressing shared values and ideology, connecting followers’ individual and group interests, and to provide followers with more opportunities to appreciate group accomplishments and other group members’ contributions, resulting in collective identities”.

*Coaching and mentoring:* Mentoring – having a senior colleague who cares for and advises young aspiring professionals – is almost the core element of traditional leadership grooming, probably with roots in an old system of apprenticeship: “People are proud to have a master, who takes top position in the industry”. However, in modern-day organizations: “Mentoring seems to have had limited success as companies have unloaded senior personnel to flatten structures and with their departure has gone years of valuable company IP [intellectual property]”.

## **Impact on the MBA program and course module**

The insights gained from analyzing these materials were reflected on with later students and fed back to the teaching arena with discernible positive effects on evaluations and recruitment. The four most important improvements were:

- (1) We introduced an early section on the difference in the use of dialogues in Western and oriental leadership styles, along with exercises that expose different expectations regarding dialogue in Chinese and Western managers.
- (2) Some of the linear ways of thinking in assessment theory and practices were given special attention and linked to a combination of management theory and Chinese philosophy.
- (3) More attention and explanations given to leadership selection practices in rule-based versus relationship-based environments.
- (4) Specially facilitated group discussions that take the Chinese participants' group behaviors more into consideration.

## **DISCUSSION AND CONCLUSION**

The purpose of this paper is to explore how leadership theories and leadership development practices could be of practical relevance to practicing Chinese managers. The analytical approach first explored how

the respondents viewed effective and non-effective leadership behaviors and their relationships with Western leadership theories, secondly the typical leadership problems the respondents had experienced, and third, to which extent they thought that Western leadership development techniques could ameliorate these types of problems.

The responses show how practicing Chinese managers are interested in leadership, willing to reflect on this issue, and how they are profoundly embedded in Chinese philosophy in the way they express their experiences. Also, a willingness to depart from old traditions to effectively embrace new forms of organizations and global environments appeared. The need to indigenize theories and practices must be reflected in teaching practices.

Management is inherently complex (Stacey, Griffin, & Shaw, 2000), and Chinese management in recent years even more so: rapid transitions in cultural, economical, political, technological and demographical realities have posed opportunities, challenges and threats exceeding the understanding of the participating parties themselves. The variance in viewpoints on central issues between our respondents suggests few unified opinions on these matters. The possibilities and challenges in applying Western leadership reach far beyond cultural stereotypes and depend on local knowledge.

Our findings offer no simple catalogue of cultural differences. The concept of leadership in China is dynamic and evolving, sometimes allowing international organizational inventions to take hold, sometimes

offering paradoxes in need of different explanations to Western and Oriental observers. Finally, there emerge viewpoints and concepts that may have deep roots in Chinese traditions, but that take on new meanings to modern participants. Our reflections below are an invitation to inquire and reflect in practical teaching and management.

### **Espoused leadership theories**

The examples of good leadership included some Western ideals but also the Confucian ideals of the leader as a virtuous person and the ability to handle relations as a vehicle for effective leadership. This is in accordance with previous findings on differences in implicit leadership theories between Chinese and Western people (Ling, Chia & Fang, 2000), and with recent research on the leadership styles of Chinese CEOs (Zhang, Chen, Liu, & Liu, 2008).

A virtuous leader affects subordinates by moral identification with values, a principle related to the “transformation” of values thought to take place in transformational leadership (Bono & Judge, 2003; Burns, 1978; Shamir, House, & Arthur, 1993). However, our sample of managers was skeptical towards the strict hierarchical system of Confucian-inspired leadership (cf. Yang, Peng, & Lee, 2008). While several commented on the necessity for being in control and appearing determined (in line with issues of greater power distance, cf. Hofstede, 2006), they also warned against “dark sides” of hierarchy such as overconfident charismatic and autocratic behaviors. Another, but related concern was that filial piety and hierarchical structures may actually

mask inefficient internal co-operation, such that leaders and subordinates may be locked into a game of policies and counter-policies.

The respondents favored leaders with better communication skills, particularly with capacities for intellectual stimulation associated with transformational leadership (Bass & Avolio, 1999). This was an important focus for improving and modernizing leadership skills of self and others among our managers, but they seemed concerned with how the Western-inspired management styles would affect relationships. It is absolutely possible for Chinese subordinates to engage in critical discussions with their superiors, but these discussions are more likely to take place within trusted, one-to-one relationships (Chen & Tjosvold, 2006). This may be one of the reasons why transformational leadership is found to be mediated by leader-member-exchange relationships in China (Wang, Law, Hackett, Wang, & Chen, 2006). Our respondents were clearly aware that effective handling of relationships is necessary to boost leadership but also to keep clear of the downsides of relationship-based governance in society (Li, Park, & Li, 2004).

Finally, some Chinese managers have reflected on how Western expatriates have had a tendency to misinterpret the Chinese patterns of authority as authoritarianism. This has a tendency to make Western expatriates react with abrasive controlling behaviors, disrupting the relational bonds between leader and lead that will often be invisible to the Western co-worker.

*Leadership development techniques:*

While many of the Chinese managers seemed well-equipped in their understanding of leadership phenomena themselves, they had less access to tools for selecting and improving leadership potential. Several of the respondents would quote Xun Zi's warning that promotions should be based on moral character first, ability being secondary (cf. Peng, Chen, & Yang, 2008). Loyal co-workers also seem to be easier to identify than leadership potential and training opportunities.

For this reason, the managers in this sample were reluctantly interested in selection tools such as personality tests, and also just as reluctantly interested in multi-source feedback. Recent research has supported the claim that multi-source feedback has different effects in different cultures (Shipper, Hoffman, & Rotondo, 2007). Even if younger Chinese are changing values and appear less traditional (Ralston, Egrim, Stewart, Terpstra, & Kaicheng, 1999; Xie, Schaubroeck, & Lam, 2008; Zhen Xiong & Aryee, 2007), leadership training, measurement and feedback need local adaptation to be successful. Among the issues most frequently mentioned is the need to anchor feedback into training programs without any obvious material, result-based consequence.

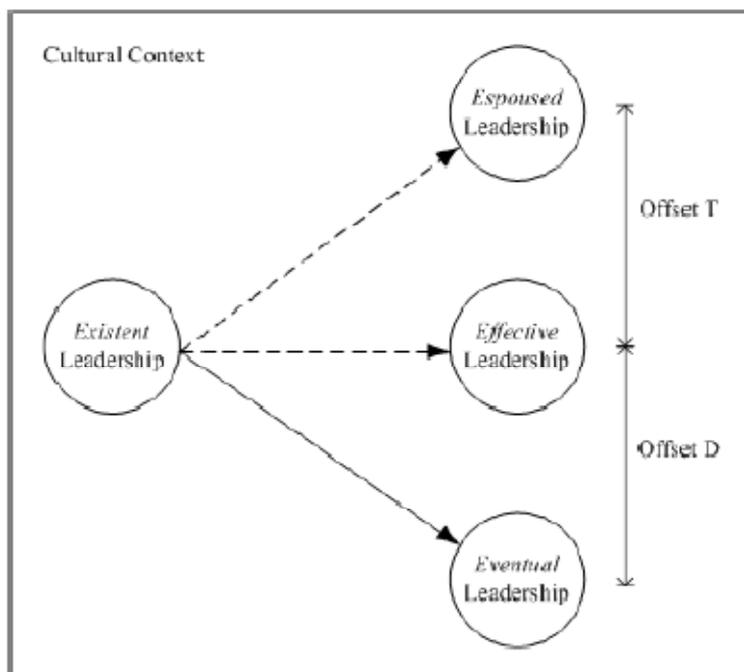
Another sensitive issue is how leadership training activities are introduced. The strong Chinese tradition for learning and apprenticeship provides a basis for leadership development programs in China. But respondents caution that insensitive introduction of the learning

activities could actually harm the faces of participants if it appears as a negative comment on the participants' performance.

### Suggestions for further research

Leadership development will be effective or ineffective dependent on the situation of the participants (Collins & Holton, 2004), which in international settings implies cultural contextualization (Tsui, Zhang, Wang, Xin, & Wu, 2006). Attempts at contextualizing leadership development may lead to different types of outcomes. To illustrate this, we develop a framework as shown in Figure 1.

Figure 1: A Cross-Cultural Leadership Development Framework



Offset T: Bias from Leadership Theory

Offset D: Bias from Developmental Techniques

Our framework represents four conceptual dimensions of leadership in leadership development:

- (1) Existent leadership, i.e. leadership as-is or leadership-in-practice: what managers are doing or accustomed to before taking leadership development programs.
- (2) Effective leadership: actual leadership that works in the actual workplace.
- (3) Espoused leadership: ideal leadership intentionally taught in business schools.
- (4) Eventual leadership: what managers are doing after taking leadership development programs.

Leadership development programs can be seen as a means to help leaders depart from existent practices towards more effective leadership. With successful leadership development programs, ideally, espoused leadership, eventual leadership, and effective leadership should perfectly match each other. A lack of proper contextualization could bias the learning process in at least two ways: “offset T” would result from a program based on flawed leadership theories, and “offset D” from development techniques adopted in the leadership development programs, leading to ineffective leadership development in the cross-cultural context.

This framework has guided our discussion, and we believe this framework could be heuristically interesting for future research and theory development in cross-cultural leadership development. An example rarely cited by research literature is, for example, the possibility

that existing courses in cross-cultural management actually may exacerbate problems by developing misguided leadership practices.

### **Implications for practice**

The need to reflect on how Chinese and Western leadership theories are compatible and can be used to improve co-operation will only grow. Special attention needs to be given to issues such as virtuous leadership, the use of dialogue and relationships. An inquiring, reflective attitude to these issues may be useful to several groups of practitioners: Western managers trying to operate within a Chinese culture, professionals who teach or develop leadership in Chinese and MNCs with Chinese members, and finally non-Chinese managers who are interested in the leadership practices of their expanding Chinese co-operating partners and competitors.

### **Limitations**

The sample and data from this study is restricted to a group of part-time MBA students with a relatively high level of fluency in English. Also, the data is a response to an examination with uncertain consequences for the expressed viewpoints. Finally, there is the concern for the actual practical impact of MBA programs. To quote Bennis & O'Toole (2005, p. 100): "Most business schools claim a dual mission: to educate practitioners and to create knowledge through research. Historically, business schools have emphasized the former at the expense of the latter. But, in the process, their focus switched, and now the objective of most B schools is to conduct scientific research". A really rigorous attempt at

evaluating the questions of our study would need a design implying pre- and post-test knowledge measurements as well as behavioral and outcome measures from actual managerial practice.

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