

My Pham Ha

**The merging of effective working culture practices at Toyota
in an international business environment.**

Thesis
Winter 2015

Faculty: Business Administration
Degree program: Bachelor of Business Administration



SEINÄJOKI UNIVERSITY OF APPLIED SCIENCES

Thesis Abstract

Faculty: Business Administration

Degree program: Bachelor of Business Administration

Specialization: International Business

Author: My Pham Ha

Title of thesis: The merging of effective working culture practices at Toyota in an international business environment.

Supervisor: Isaacs, Cory

| | | |
|------------|-----------|-------------------------|
| Year: 2015 | Pages: 77 | Number of appendices: 2 |
|------------|-----------|-------------------------|

In recent years, the concept of becoming successful through leadership has been under constant discussion. It is often claimed that managers are initially critical in driving the organization towards success in the market, especially now that globalization is becoming increasingly intensive at rising numbers of international enterprises. Leaders are expected to be motivators for employees, to keep the company's track and to reach the targeted goals. However, the concept varies between cultures. It is not only about specific criteria, theoretical knowledge, but also about experiences, i.e., how leaders improve their roles through time and cultures.

The present thesis is a study of the styles of leadership, which criteria create a successful leader; the important role of Leadership in the globalization period; how globalization emerged, and the above-mentioned factors lead to a multinational company. Constantly proceeding globalization demands an effective leader within the organization. The present study analyzes an effective leader's role based on cultural dimensions and, thus, the aspects of culture which need to be considered when working internationally.

In the empirical part of the thesis, a study was conducted among the VACD - Vietnam Association of Corporate Directors and Toyota Boshoku Hanoi. Qualitative and quantitative methods were used in the study. An analysis and discussion took place based on Hofstede's theory and some others.

The results show that model Leadership in a multinational group is not about fulfilling all the required criteria or having particular features, but also about human distinction, an inborn characteristic, combined with the ability to

experience and face intercultural obstacles. Different cultures call for different styles of leadership; however, leadership can become effective if the leader is aware of the necessary cultural aspects to be able to solve all the international issues.

Keywords: Leadership, Traits, Styles, Skills, Globalization, Multinational Company

TABLE OF CONTENTS

| | |
|--|----|
| Thesis Abstract..... | 2 |
| TABLE OF CONTENTS | 4 |
| Tables and figures..... | 6 |
| I. INTRODUCTION | 8 |
| 1 Thesis structure | 10 |
| II. THEORETICAL STUDY | |
| 1. Globalization conceptualization | 12 |
| 1.1 Globalization conceptualize | 12 |
| 1.2 Ten forces that flattened the World | 14 |
| 1.3 Impacts on leadership | 18 |
| 2 Leadership description | 20 |
| 2.1 Leadership definition | 20 |
| 2.1.1 Leader versus Manager | 20 |
| 2.1.2 Leadership as Power obtaining..... | 21 |
| 2.1.3 Leadership as a process- Transformational leadership | 22 |
| 2.2 Leadership Traits approach | 24 |
| Key of Traits approach | 26 |
| 2.3 Leadership Skills approach | 26 |
| 2.4 Leadership Style approach | 29 |
| 3 Multinational organization | 33 |
| 3.1 Multination definition | 33 |
| 3.2 Culture conceptualization..... | 34 |
| 3.3 Leadership in multinational organization | 40 |
| III. EMPIRICAL STUDY..... | 49 |
| 4.1 Research methodology | 49 |
| 4.2 Research Approach | 50 |
| 4.3 Validity and Reliability | 52 |
| 4.4 Case companies | 53 |
| 4.4.1 VACD- Vietnamese Association of Cooperated Directors..... | 53 |
| 4.4.2 TOYOTA BOSHOKU HANOI | 56 |

| | |
|--|----|
| 4.5 Leadership description in defined cultures | 58 |
| IV . CONCLUSION | 63 |
| 5 Conclusion | 64 |
| BIBLIOGRAPHY..... | 67 |
| APPENDICES | 71 |

Tables and figures

| | |
|--|----|
| Table 1 Qualitative and quantitative methodology comparison..... | 49 |
| Table 2 Interview attendant lists..... | 53 |

| | |
|---|----|
| Figure 1.Thesis structure | 11 |
| Figure 2.Management Skills at various levels of Leader in organization..... | 28 |
| Figure 3.The six Leadership styles. | 31 |
| Figure 4.Hofstede's culture dimension | 36 |
| Figure 5.Culture as an onion..... | 39 |
| Figure 6.A model of effective leader. | 41 |
| Figure 7.Country cluster from GLOBE research. | 43 |
| Figure 8.Clusters' characteristics classified from cultural dimension. | 45 |
| Figure 9.Vietnam- Italy cultures comparison..... | 54 |
| Figure 10.Vietnam- Japan cultures comparison..... | 56 |
| Figure 11 Leadership style evaluation | 58 |
| Figure 12 Comparison between Theory and reality in Italy | 60 |
| Figure 13 Comparison between Theory and empirical study in Vietnam | 61 |

I. INTRODUCTION

In the late 21st century, a global phenomenon, globalization, has been creating controversy among economists, politicians, businessmen, authors and researchers about its existence and persistent growth. As it has been showed, the foundation factor of development, digital, talented and innovative people keep giving their innovations into bridging the world. The borders become narrower, business becomes easier, people get closer, and the world becomes attuned. At the moment, world-wide capital is growing too fast, and in combination with the non-stop path of globalization, this leads to the special need of having a leader to control, orient, guide, encourage and inspire them towards lofty goals. As long as globalization exists, effective leaders are strongly needed, and more urgently than ever. There is no doubt to see globalization would not stop its flow and its impact on the global economy system. In this thesis, with the explanation of globalization and its basic foundations, there will be a wider view for audience of what has changed the economy on the globe, generally. Furthermore, clarification of the fact that leadership is being affected a lot from the mentioned phenomenon, and have a clearer awareness of leadership as to wish to know about the main factors of being a leader will be replenished.

Traits, skills and styles are the three most common theories of leadership, which have been researched for years by many researchers and authors. While there is belief that some people are born to be the leaders, it is argued that it is possible to develop and obtain leadership capabilities through education and experience time (Peter 2010, 7). From this point of view, the skills approach term can be clarified apparently. It shows that, based on different situations, people can express their abilities to solve the problems and organize the issues. Another factor which is considered as different and important for defining a leader is leadership style. Leadership styles include two main types of behavior: task behavior and relationship behavior. The study of the style approach is about the combination of these two behaviors that influence the achievement of goals by the subordinate.

In the incessant globalization period, the role of leaders is becoming increasingly important. In order to see the importance of leaders in an organization, an analysis of how complex and diverse organization are is considered very supportive. The definition of culture, as well as multinational company demonstrates the mosaic structure that requires an effective leader because the point of the thesis is a phenomenon that leads to the merge of leadership into multinational companies.

1 Thesis structure

Regarding the structure of this thesis as described below, first of all, the literature will be analyzed. In the study, the theoretical sector includes an explanation of globalization as a phenomenon, its roots and how it transits to leadership. Later on, the Trait approach and the Skills approach are inquired into to figure out to what extent Trait or skills approaches' performance is more initial and effective in a leader. The Style approach – the analysis of how leaders act in different business situations, instead of finding a definition of who the leaders are – explains the core point of modern theory on leadership.

The second part of the thesis, the Practical part, was conducted using both quantitative and qualitative methods, and the so-called triangulation method. The case companies are VACD Italy – a company in Italy at which the author did her internship in summer 2014, and Toyota Motor Corporation, Vietnam. Besides approaching quantitative research based on the case companies, some personal survey on different nationality individuals will be implemented to support the diverse culture of thesis topic. In conclusion, the study will result in a general sketching for the reader of leadership's importance in today's business market. Though more and more intercultural courses and programs are being organized and registered for leader training, as well as employees' improvement, still tricks of becoming an effective leader are tantalized but ironically have been done perfectly by some historical and global-well known entrepreneurs, such as Bill Gates, Steve Jobs and so on.

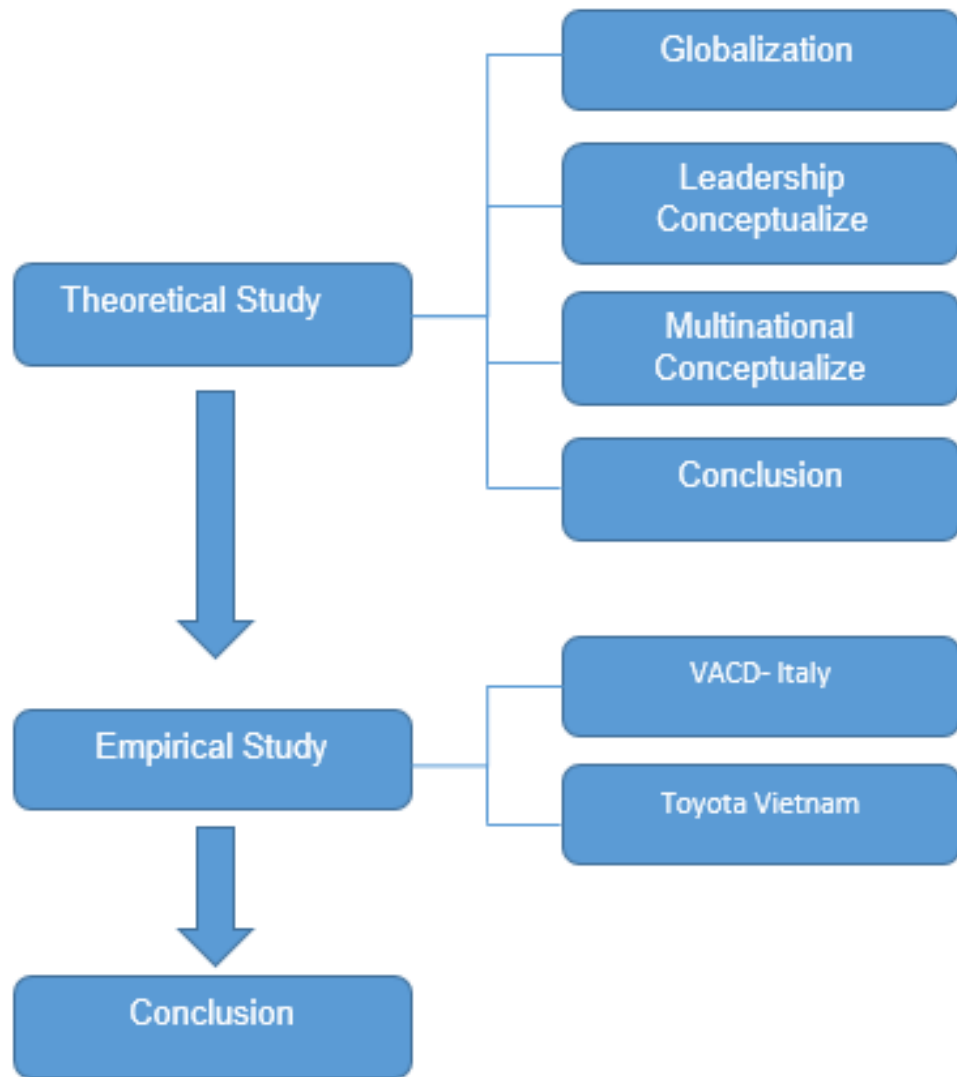


Figure 1. Thesis structure

II. THEORETICAL STUDY

1. Globalization conceptualization

1.1 Globalization conceptualized

The word “Globalization” has been utilized a lot in the field of business, specifically, and economic- political- environmental contexts, in general, to talk about the integration of the globe. It is so complicated to exactly define this phenomenon. For instance, people from the US connect easily to some small regions in Vietnam; a Japanese company cooperates with an Australian organization; one person works online for three organizations simultaneously; nations are connected, etc. All those mentioned subjects are concerned as globalization. So, the question is, do all people understanding exactly what globalization is, what created that term, how it made such a great impact on the global economy and how it is related to leadership? What effects and recommendations should former or future leaders take into consideration to become more effective in a certain field?

In particular, globalization is understood as the process of bordering and creating values. Globalization is argued to be an international process, which involves actions from countries to countries that work on the policies, cultural transmission, power discoursing, etc. (Nayef & Al 2006, 3). Globalization includes economic integration and is an establishment of the global market free from a sociopolitical system. All the facts, such as cultures, geographic, ethnic, regions, etc., are the background that implies the path of globalization’s evolution. Paul (2006) declared that globalization is a process but not a being. Similarly, Nayef and Al (2006), after implementing research, defined Globalization:

Globalization is a process that encompasses the causes, course, and consequences of transnational and transcultural integration of human and non- human activities.

Globalization is complex and evolutionary. It was conceptualized as the high speed changes of everything. There are loads of definitions by several authors and researchers. However, it would be clearer for the term to have its own definition based on proper samples. The smaller border, the higher numbers of businesses, the more complicate cultures. But what literally makes globalization?

According to Thomas (2007), there are three main periods of globalization: 1.0; 2.0 and 3.0. The first period was when Columbus discovered that the world is round, he discovered other countries on the earth which had never been known before, and he discovered that all was connected. At the moment, they considered Globalization 1.0 as a step of countries globalizing; due to the fact of bridging continents to continents, people knew about other cultures, not only their own ones or some of their neighbors'. The second period, Globalization 2.0, was globalizing of companies – there were more and more companies operating all over the world; and 3.0, the final step of cooperating, completing globalization with the development of software, which turned everyone into a neighbor by empowering them to become individuals or an individual group, showing that everyone is able to make great changes, not only Western people.

Globalization started to leap more in every field of life, still, especially in economy or business. Globalization is applied widely also due to the great benefits people can earn from that. To clarify, just consider an example in “The Earth is flat”, implementation of globalization by a news transferring company. The strategy of hiring people individually allowed everyone to become a co-worker of the media, or employed people from different countries, different cities, is firmly believed to gain much more benefits certainly than in the past. News is delivered faster, more updated and exact. Those people who work individually can become reporters, working with only their mobile phones and the recorders, thus returning back productively and efficiently with the latest, hottest news. It is concerned as more benefited than having just local employees who sit in one place and wait until the news are published in a certain area. In this example, globalization played quite an initial role.

The term globalization is really complex to define, though almost every single people in the world know about it and its appearance, as well as its speed of development. However, what created globalization? This question will be answered in the following.

1.2 Ten forces that flattened the World

Friedman (2007) stated out the ten factors that affected and helped create globalization since the 1980s according to various studies. First of all, it is the event of the fall of the Berlin Wall in 1989.

The fall of the Berlin Wall in 1989

This event has created such a big change in the society, the current system of power balance of civil demands; untied strong growth in developing nations, for example, India, Brazil, China and the Soviet Union; opened a wider view for people thus to increase freedom for movement of the best practices, created the EU - European Union and the utilization of the same currency.

Netscape

After the fall of the Berlin Wall event, the appearance of Netscape has proved the ability of people with new technology to integrate into a global environment, then into the new systems and, consequently, be able to connect to anyone. This event showed the first development of a Web Browser with the “Point and Click” revolution. Besides, this was the era of DOT COM bubble – the problem of over-investment in digital major. It was considered as the foundation for obtaining more digital tools with more modern technologies, then further its aim for the strongly growth of the IT field.

Workflow

One familiar platform of flattening the earth, Workflow, which is clarified as a step of connecting any programs to programs but not only one person to another. Workflow did increase the productivity of connections among programs to programs, but only when they use the same hardware or software system. As a consequence, a workflow system has created the virtual global office, decreased the limitation of offices, borders and nations and also helped approaching talents.

Globalization, indeed, has succeeded in creating the bridge of connecting cooperating people from different continents, different cultures and professions to each other. This phenomenon was actually not an expectation that could help sharing knowledge into the globe like it could do. However, with the speed of digital growth in combination with an abundant number of brilliant purposes, globalization has changed the appearance of economy, in general, and business, in specific.

Open sourcing

From that point of view, it would be clearer to see the next step that keeps emerging all over the globe. People are believed to be so fast in growing and applying the best for their human being, and how do they do that? They make use of unifying people from one country to another. Open sourcing; a kind of self-cooperated community was introduced. This force of flattening the earth became one of the most important forces because it gave everyone the right to become effective and attributive, they saw the equality of spreading knowledge contribution to the globe and, thus, balance the power and level of system were clearly proved. Since then, people became more productive in the competitive environment.

Outsourcing

The term refers to a situation in which people do their jobs but are hired to be a function of the other company. In surplus, it was also a remarkable step of harmonizing between organizations. Since the moment of outsourcing appliances, India has been becoming a globally significant software engineer. In concert with the US, they both created an anonymous force of globalization.

Offshoring

Offshoring, another platform, stands for basing some of a company's processes or branches, services overseas and produce similar goods but with lower cost of workforce, taxes, energy, resources or material. With the strategy of analyzing geographical, ecological, environmental and political factors, companies decided to base their company's children in a country which promised to bring about benefits and simultaneously help create sustainability. China has occupied its position as the strongest nation since globalization appeared. Friedman (2007) admitted that China is a threat, a customer and also a chance for every nation to compete or cooperate with. Their government might have been so wise to understand the phenomenon of globalization, so that the long-term goals have just been set: more investment in education, especially in maths and sciences, which were believed to be the key factors of further development.

Insourcing

As mentioned in the beginning of this part, globalization is about connecting the world and benefiting the economy, using the best way people can do to bridge the gap among continents and cultures. Another useful and strategic tactic is insourcing- the practice of using an organization's employees/ resources to accomplish the task with reduced cost and increased effectiveness. This model of business lead organizations to work effectively with companies with the best function that fixes their purposes. Furthermore, utilization of digital

development, such as Netscape or Workflow, made organization be able to check their good's conditions, therefore cut down cost and increased services.

Supply chain

Before the step of insourcing, Supply chaining has instructed with aims to cut cost in the beginning and make use of every tiny holes among logistic to cut down useless cost. Later on, once the insourcing decider realized that they had been spending much money on supply chain management, they changed the plan. By insourcing, they recognized that they could save more money for developing and improving innovations rather than just upgrade the supply chain.

A while later, the outburst of information providers has created one more remarkable change, it is so-called Informing.

Informing

The existence of Google or Yahoo answer had satisfied millions of users due to the availability of solutions for their self-demands or knowledge obtain attempting. Informing the self-supply chain for information, knowledge or entertainment, encouraged people to become more attributive by considering self-servicing as other's obtaining. Consequently, people gave as they can receive. The World became tighter, knowledge became transmissible and people became integrated.

STERIODS

The tenth force of flattening the Earth is STERIODS, which included of digital, mobile, personal and virtual process. All the mentioned processes were clear to be digitized and shaped. Thomas made strong argument on the non-stop developing of transmitting information by personal digital devices currently, that

they could be done with the high quality of access, can be done anywhere, anytime by anyone.

Particularly, the ten forces that Friedman considered as leveling of global playing field- the global economy, which has been shortly summarized and explained, seems enough to prove that the era of multinational globe has been playing important role and therefor, cultures gradually grew to the topic of authors and researchers. Besides, those forces now becoming the platform of developing and merging into transnational business environment create opportunities and also competitiveness for global entrepreneurs to penetrate into national and multinational markets. When integrating turned out to be common, knowledge about cultures is needed. People are encouraged to be open- minded, thus develop and improve the intercultural gap and assimilate succeed. In order to be succeeding, it is really in need of having a leader, who can well- oriented people to achieve the goal using his/ her motivation and knowledge.

1.3 Impacts on leadership

Thereupon outburst of globalization and internationalization, a huge number of chances in connecting organizations has highly risen. With its tremendous opportunities, it is not difficult to see the challenge which the managers have to face, here in this case, managers in general refers to leaders. The more integrated and complex internationalization, the more problematic and challenged the leaders have to deal with.

Globalization, in its own way, with parts of it, says, outsourcing, insourcing, offshoring, etc., keep forcing people to work overseas and adapt other cultures innocently. Hendrik and Rommin(2012) argued that the phenomenon has generated a sensitive environment of high speed development, and as the human capital is now growing non- stop, the more educated they need to be trained, the more mobility in personnel structure, the more complex in control

system thereof the more responsibility the leaders have to take. As the cultures are diverse from one to others, it is necessary to get the basic norms, values or belief of what people in the region has been maintaining. Accordingly, worldwide organizations have been seeking for leaders who are able to qualify their urgent demands of managing the multicultural system, and on the act of the persistent globalization, effective leaders with culture knowledge ability is more needed and highly valued than ever.

2 Leadership description

2.1 Leadership definition

“A leader is best when people barely know he exists, when his work is done, his aim fulfilled, they will say: We did it ourselves”.

-Lao Tzu-

Goodreads, *Tao Te Ching quotes*.

There is no doubt to say the globe leaping to be more attuned than ever with loads of businesses, enterprises, organizations, as well as international ones, existences. Globalization is truly playing an initial role in the global market. The higher numbers of business that are operated, the higher amount of CEO, or the so- called Leaders, will appear. It is very crucial to exactly define the conception of leadership, especially in the recent period, Globalization, to smoothly mix the cultural environment of organizations. It is tantalized that not every “Leaders” know wisely the concept of leadership, so on fulfil the demanded and given responsibilities. The study of how to become a good leadership has been oft- controverting decades ago.” What Leadership is, and How to become an effective leader” by several authors and researchers.

2.1.1 Leader versus Manager

Even leadership and management are similar in involving people and influencing them therefore reaches the given goals, they are distinguished units. Leader and manager are both the ones who stand behind the organization, using their reputation, power and authority to make impacts on followers, lead them to contribute and work effectively. While leaders’ strengths are making goals, visions or strategic motivation, managers do things smoothly, they make sure there is no chaos, planning and controlling in the

organization. Bennis & Nanus (1985)'s statement, even it was so long time ago, still it indicated very clear the view of being a leader and being a manager. Leaders do the right things, when managers do the things right. Simply, it means leaders are effective whereas managers are efficient. Indeed, managers and leaders support each other's roles- Involve, being apart and together reaching the target.

2.1.2 Leadership as Power obtaining

The meaning of the term Leadership is designated abundantly. However, even it was defined differently, using different studied objectives, says, traits, skills or styles, still those mentioned have a similar meaning. At first, let's concentrate and view leadership definition in a general point. Leaders are considered as people who have power/ authority in the organization, whose speech/ existence have impacts on others. Again, Peter (2010) made believe that leaders have power because they have the ability to influence the other's attitude, belief, norms and values, and those powerful leaders in the organization can be separated into two types: personal power and positional power.

Personal power refers to leaders who are seen as powerful, knowledgeable and persuasive in the organization. These kinds of leaders are able to make influences on followers just by acting and expressing their charisma. Followers believed in the leader's way of solving/controlling/running the business because in their subconscious, leaders are absolutely able to manage things.

Positional power, however, stands for kind of leaders who have power based on their position/status in organization, for example, CEO, Human Resource Manager or CFO. Since they have high status than followers, their powers are utilized to make impacts. This positional power, somehow, is matched to coercive leader, one of the two Leadership models that included Inflexive and coercive leader. Coercive and inflexible leader are the same in targeting to achieve the goals of organization, but the former model aims to force people

and assign what they have to do due to their power within organization, whereas the latter model tries to encourage people gradually by inspiring, encouraging and making them individually develop, thus together make success- this model is matched to leader who has personal power.

Even though being similar to each other in achieving the goals and accomplishing the task, coercive model is not recommended recently due to the growth of globalization and equalization in society, especially in some certain countries, which will be studied on later chapter.

2.1.3 Leadership as a process- Transformational leadership

As mentioned above, the quote of Lao Tzu, a well-known philosopher and poet of ancient China, the leader is considered as the best when he is not ego-driven but helping the followers to be motivated, inspired, accomplish the work and realized their own potentials. Many researchers pointed out that Leadership couldn't be defined exactly by collecting the traits, says, energetic, inspired, intelligent, motivated, etc., to generally describe it, but also it was well-defined as a process between leader and follower, here is one example for instance:

Leadership is the ability to provide direction toward preferred future aspirations and aligns the followers towards goals achievement.

(Kelly-Heidenthal 2004)

Leadership is the process of influencing the group by one individual, in order to reach the target or common goal. This concept was made based on Peter's collection of several conceptions from researchers since 1900 till the 21st century. To describe leadership as a process and deeper analysis for audience, he stated one example of the process, which is so-called Transformational leadership, the kind of process that transform followers with

different values, belief, norms, ethics and goals, using the initially important relation among leader and followers to create motivation, satisfy their needs, appreciate their existences and contribution wisely.

Transformational leadership describes how effective is the hence in developing relations between leaders and follower. The leader creates motivation, satisfy the followers' need sensibly and appreciate their existences, as well as their contribution. From all those logical satisfaction, the followers would have been somehow inspired to accomplish given task energetically. Transformational leadership is broadly applied and approach, because it integrates followers and leaders into one unit, makes them support each other's needs and together create transformational process. Transformational leaders could help bringing the picture of leadership, which is not only about exchanging or rewarding, like transactional leadership, but a broader view of concentration of leaders on the followers' demands and growths. Also a transformational leader always aware of how their behaviors related to the needs of followers and the process of organization, focus on ideas, inspiration, individual concern, even having actually no exact definition of how they should act in certain situations to achieve the goal. The statement has made it clearer to conclude that leadership is more about being a process than only traits, skills or styles, as will be analyzed later on.

The success of transformational leadership should have always been mentioned about, is Buddha and Jesus, the two most successful leaders in leading people to live meaningfully by instructing people on their needs and motives, thus them fulfil their demands. Other enormous examples included of Bill Gate, who used his intelligence and ability to open the readers views, inspired the masses that he shared the vision with, or Ho Chi Minh, the Prime Minister & President of the Democratic of Vietnam, who is known for scarifying his whole life to improve himself, find out the ideology of society thus transform civil to leap and fight back against the biggest enemy at the moment- The US, France, Japan or China.

Besides some given examples of leaders who had initial contributions to the global history, there were also some negative circumstances of overlapping

transformational leadership, for instant, Hitler, in which the leader transform the followers towards his self- concern, indeed, is distinguished as pseudo transformational, who are “self- consumed, exploitative and power oriented, with warped moral values”. (Bass & Riggo 2006)

It is true to say transformational leadership, currently is the model for people who is actually being, or wish to become a leader. With the more productive outcomes and received over- expected contribution from this model of leadership, there is no doubt to say leadership process is becoming more efficient and ideal than ever, though many courses and programs were held more recently to train the aspects that might be crucially needed to become an effective leaders, says, idealized influence, inspirational motivation, nor be an intellectual and individualized consideration. (Bass & Avollo, 1990a).

2.2 The Leadership Traits approach

The Traits approach is actually the earliest theory of Leadership. It was conceived to be indeed of a leader and can help with recognizing the leader versus non-leader. Similarly, in some cases, people view the attributes of an individual to assess his/ her leadership, says, characteristics or competencies. In the book "Leadership Theory and Practice", Peter (2010) declared a list of traits that he believed people wish to possess in order to achieve the goal of being a leader, that list insisted of Intelligence, self- confidence, determination, integrity and sociability, while other basic nine traits of being a leader was studied in Szulc's and Guggerheimer's research, included of passion, motivation, integrity& trust, courage, humor, vitality, enthusiasm, building team & setting priorities and creativity. There has existed a huge amount of traits which were studied by many researchers and authors; however, some are maintained as core traits, will be explaining below. Commonly, traits are believed to be inborn characteristics, and only the ones who obtain those precise traits can become the leader.

First of all, intelligence is concerned initial for an individual to become a leader. Frequently, people who have higher intelligence, which means knowledge

ability or skills capability, somehow would have more chance to turn into a leader than the others. Simply, without knowledge possession and improvement, people rarely have ability to develop. There is no evidence to show that a person without being intelligence can become a good leader.

Self- confidence is another trait which was mentioned on the trait list. It's the ability or self- trust of an individual about his/her knowledge, skills and achievement. By being self-confident, a leader can persuade followers to do as what they targeted as mutual goals. He/ she makes belief for followers by showing them how much the leader is self- confidence about what he/she was trying to do.

Once the employees see how certain and firmly the orientation is and path of development that the leader direct them, they would have felt assured about it and therefore support more contribution. Determination refers to people with such distinguished factors of being persistence and dominance. Followers could feel assured about what they were guided and where is the foundation of their achieving goal if their leader is an uncertain people with no dominances and assertiveness. In order to influence people, a leader needs to be determined, thus appease and encourage them forward the goals.

The last two traits, integrity and sociability, are clarified lastly but are important and even necessary for an ideal leadership. They both shows the individual's characteristics which can be vitalized during period of leading organization. It can get better or worse, depends on the leader himself. Integrity, a trait of being trustfulness and honesty, which can believed to be inborn with the leader but can be criticized because of its changeable weakness during working. A person who has high responsibility is considered as integrity and is promised to bring about confidence for followers to follow and contribute for the group. Sociability, besides, is the sociable factor of connecting relationship between leader to followers, and followers to followers. Sociable leaders indicate people who are friendly, sensitive to other's demands/ needs, open-minded to understand others' problems and create cooperative environment in working place, as well as outside of it.

Key of the Traits approach

Peter (2010) intimated in his book the list of traits that collected from several researches on specific aspect of leadership- Trait approach. By listing and explaining those basic traits, he pointed out the key of traits approach, are Social intelligence and Emotional intelligence. Social intelligence is the ability of understanding the other's mind, in act and influence people properly, whereas emotional intelligence implies people who is able to know about information and apply it, especially knows how to understand about emotions, thereof apply it into life's tasks and manage relations. Why is it important for leadership? Mayer and Salovey (1997) made conception of emotional intelligence as the capability to understand the root of emotion and to enhance thinking skills, as well as the capacity of logically recognize/ perceive emotion, critical thinking, promote emotional and intellectual growth. It's concluded that people who is more sensitive to their emotions, as well as the others and further factors, has a real ability of leading the others based on their wide vision of orienting people to the potential goals.

In short, it appears that traits are useful to realize a person with leader ability or not. However, it was criticized for its insufficient support, next to skills, styles of leaders etc., .This theory of Leadership is meaningful somehow in sorting people who is able to become leaders and who is not, but in order to see what create an effective leader, still there will be some more criteria to assess on.

2.3 The Leadership Skills approach

Unlike traits, skills are things that a person can learn and develop through time to become a leader. (Peter 2010). Experiences and abilities from working time can turn one person into very remarkable. Has been utilized repeatedly, showed high validity and reliability in the research, Robert (1955) recognized one's abilities by 3 main skills: technical skills, human skills and conceptual skills.

Technical skill refers to the capability of knowledge and competency in a specific work or the ability to apply general actions which included hands-on activities with basic product or process. Human skill is, however, ability to deal with human being, socialize or so-called people skills. A leader with human skills is always being aware of one's own perspective, as well as the others', then adapt own ideas to others, create atmosphere of trust and being sensitive to the needs and motivation of followers, therefore try to adapt it as much as possible. As human skill insist of some initial competencies, to be named, knowledge, problem solving skills and social judgment skill, Zaccaro, Mumford et al (2006) stated in their book after researched that social judgment skills is the key factor of a leader who is able to understand people and social system, let them work and solve the problem together, support each other in organization. Social judgment skill (Similarly is sketched into 2 aspects, social perceptiveness and social performance) is about being sensitive to how the ideas fit with the others.

Finally, last but not least, conceptual skill, is concerned the most important for a high level leader. This conceptual skill is the skills of dealing abilities to work with ideas, putting the goals into words, understand and express economic principal that affect the company. A leader with conceptual skill is able to work with abstraction and hypothetical notion. He/ she is the central of creating vision, as well as strategic plan.

Following is a figure of relation among three main levels of leader to the management skills approach, which declared the necessary skills that a leader obtain has a strong related to the perception of skills as mentioned before. In brief, it's simply showed that a Top Manager usually is the one who has more "bigger" vision and is generally be responsible for the organization's goal oriented, likewise working relationship is focused and tightly hold, has more human and conceptual skills than technical skills. In an organization, however, the middle management, for instant, Human resources manager, tend to be good at and balance on all three of skills, as they are persuasive for followers and trustful for their leader. Finally, the lowest level of leader in an organization

as the figure, presented as high in technical and human skills, while conceptual skills is lower than that.

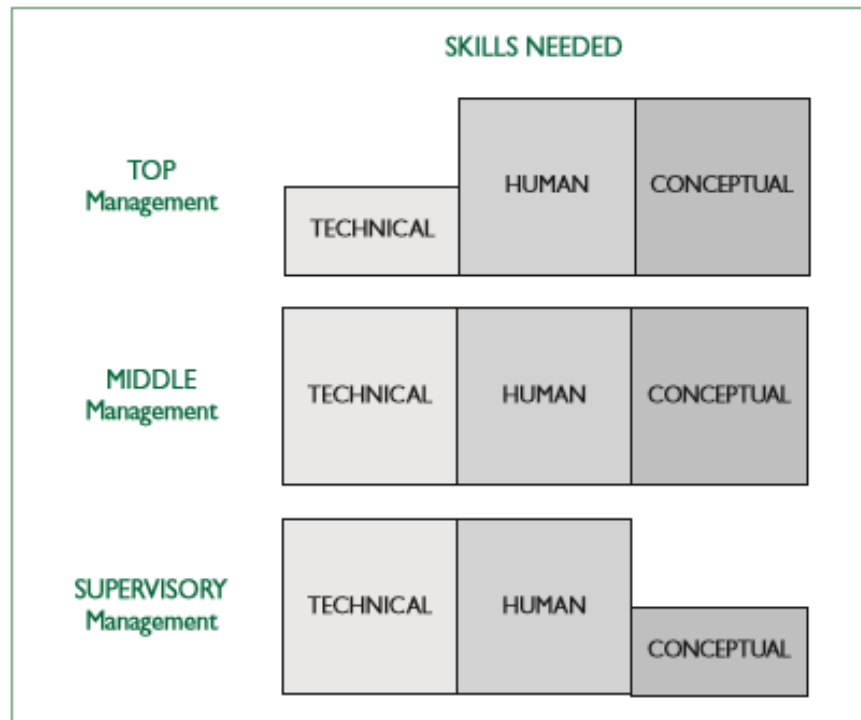


Figure 2. Management Skills at various levels of Leader in organization.

Reproduced from: Leadership Theory and Practice 2010, 45.

Mumford et al (2000) made believe that everyone who has capability to experience and learn from those experiences, all can acquire to a leader. That is not all about a man who has own almost needed traits to become a leader can be a good leader, but also he/she need to be the one who can give themselves lessons from own experiences and thus is able to use those as their skills of leading the organization. If traits approach is everything needed to recognize a leader, who can make believe Mark Zuckerberg is highly qualified for that, but still he is now being the most powerful business man.

2.4 The Leadership Style approach

Unlike traits approach or skills approach, which clarified a leader's personalities or abilities, Style approach is deeply going to study on a leader's in- act within organization, how do they behave and influence toward subordinates. Peter (2010) mentioned on his book *Leadership Theory and Practice*, that there were two main kinds of leadership style: task-oriented (Directive behaviors) and relationship oriented (Supportive behaviors). There existed a similarity in reaching the goal as mutual subject, however, a difference in methodology of conducting the plan.

Task- oriented leaders, the ones who obtain direct behaviors, are always considered as the fighter for the company; everything that needed to be done will be precisely organized and arranged from them. This style of leader usually refers to "often with one-way communication", whereas supportive leader, the ones that behaves supportively, always encourage and inspire followers, satisfy and motivate them to work productively, refers as "two- way communication relationship".

There were loads of researches on the field of leadership, especially leadership styles, to analyze the effects of a leadership style into the productivity of employees. According to a research of University of Michigan, which was conducted to identify types of leadership styles as employee and production orientation, demonstrated that people who are more production oriented are less oriented toward employees, and in contrast, people who are more employee oriented are less oriented toward production. The point is, many authors and researchers were trying to figure out one model of leadership that can combine those two orientations and thereof create effectivity within the organization, though there hasn't existed one due to the exclusive and vary of leadership in the current period of globalization.

The style approach reminds leaders on how should they be more oriented in task and where should they focus on relationship oriented. Depends on the different cultures, the employees will need their leader to be more direct, while

some others don't, instead, they need motivation and vitalize from the leader. Some Asian countries, for example, Japan, employees strongly depends on the leader to tell them directly what to do and how should the work been done, because their dimension of culture, collectivism nation, plays a very influenced impact on the leader's style of management, while in Finland, leaders tend to encourage their followers to accomplish the work as individually and innovatively as they can, nurture and inspire them, due to the fact that Finnish dimension of individualism is very high.

According to Goleman (2010), there are six leadership styles, and those styles' impacts, its most suitable environment of an effective leader. Coercive style refers to leader who demands immediate compliances. This style of leader is specified to be avoided as much as possible as its impacts of creating less morale and followers' feeling and usually produce least effectiveness within organization.

Authoritative, on the other hand, are leaders who mobilize followers toward visions. This style works in almost any situation but especially in circumstance of changing that vision is required. Agilevietnam (2013) argued that this leadership style, even being the most effective one but still it causes negative impacts in case of leader that working with more expert and experienced, who might think the leader as haughty.

Affiliative, the ones who are able to create harmony and encouragement within an organization, can bring about the most effective impacts in case of leader who wants to build team environment, team harmony, repair trustful. This style is conceded to be used in combine with other styles toward more sufficient results.

Democratic leader forces consensus through contribution of followers and it works the most effective in case the leader uncertain about direction towards organization, therefore need the employees' participation. By working on this style, there will be lots of fresh and innovative ideas from leaders and followers,

together help achieving the best result. However, once the ideas and consensus have been remaining elusive, the result of it will be limited.

Pacesetting leader always set high standards for organization's performance. Its best proper environment of being productive is where the employees are self- motivated and collectivist. Even its impact is positive, it's conceded to be better used with other style, therefor avoid the overwhelmed feeling of those set standards.

Coaching leader refers to the ones who always look forward future and encourage his followers to be open- minded; more challenged and have low uncertainty avoidance. In the atmosphere of employees that are more open, would like to improve their performance, the style of coaching leader might work well.



Figure 3.The six Leadership styles.

Reproduced from: Agilevietnam 2013.

So, to wrap up this approach, there is no doubt to say leadership style frame gives a view for audience about the leader's main behavior toward targeted goals. Fielder (1964) developed his project in studying on how well the leader fits the context of business and he concluded that effective leader should be able to match his own style into the right situation, the right setting. He argued that leaders do not always show effectiveness in leading every situation, nor expect to be effective in every circumstance. It also depends on four main factors: lucks, determination, talent and right situation to be successful (Edward de Bono 1985). So the point is to consider the impact of situation and choose the right operation to make it work.

As clarified above, styles are various from person to person, cultures to cultures, however can be culturally recognized in order to mix and match it within one local organization, further international ones. Those mentioned effects lead to the upcoming factor of the thesis- Multinational- Multinational organizations.

3 Multinational organization

3.1 Multination definition

Multinational, in definition, refers to more than one culture that is taken into consideration, defined by set of subcultures like race, gender, ethnicity sexual or ages. According to Christos and Roger (2000), multinational organizations are the ones that owned or controlled in one or more countries but not its home country only. Brian (1985) defined it precisely as a corporation with foreign investment obtaining but with predominant home base. On the other hand, might be the one which lost its national identity because of international ownership. On his work of multinational corporation concept, he also collected the perception of which is very closely related to the thesis core point-leadership – “a cluster of corporation with diverse nationality, together working under common ownership and have the same common management strategy”.

As mentioned before in the first chapter, Globalization was separated into three eras, Globalization 1.0 as countries implemented, Globalization 2.0 as companies implemented and finally Globalization 3.0 is the period of workflow software's convergence. On the second phase, the development of multinational companies rose very quickly as it led the way of driving global integration. More and more international trade, cultural exchange and use of worldwide telecommunication system has created challenges including demands of effective design of multinational organization, thus appropriate leaders are critically essential to manage the organization with diverse unit of employees.

The most important thing of multinational corporations is the abundant cultures that are taken part by members of it. Christos and Roger (2000) mentioned main characteristics of multinational organization, some of those organizations' home- based are abroad, some of those are controlled by international staff, that the core concept of culture becomes more important than ever. Farid & Ziad (2010) believed that people from different cultures have diverse and absolute distinct background, belief, as well as values, expectation. Those can

surely influence people from leader to followers. Things became more interconnected. The Globalization was also quickly grown with its flexibility in integration, thereof created the needs of understanding how it did affect performances of the leaders within organization. To be deep into the system of organization, it is required to get the root and create a strategy of arranging it smoothly. Understand the cultures, adapt it and make remarkable change.

3.2 Culture conceptualization

“Seek first to understand, then to be understood”.

Covey (1989)

Culture – another notoriously difficult term to be defined, were hardly attempted by authors and researchers to give the most precise, exact and wise definition. It is the way in which people behaves based on their belief, norms, values and attitudes (Farid & Ziad 2010), also the term was translated into the collective programming of mind that differentiate members of group/ category from others (Hofstede 1994). Spencer (2008), on the other hand, gave conception of cultures as a fuzzy set of basic assumption and value, needs and motivation toward futures, life, belief, etc., which are shared by clusters of people and influence the others by translating the others’ behaviors. Covey’s statement above illustrated the meaning of process, in which he made believe based on the psychological mind of human, that it’s better to be willing attempting to understand the others first, because once you tried to understand the others, to give back, the others would try to understand you also.

Logically, leader – the leading person of organization, who is responsible for managing the system fluently in order to reach goals, should be able to understand the working culture of the unit. Porter & Samovar (2010) pointed out two concepts that are more related to culture and leadership: prejudice and ethnocentrism. Despite differences in culture, the most common perceptions of people that first appear in their mind to whom come from different cultures are the two mentioned concepts. People usually utilize own conceptualization to

others who are from one other culture based on their observation and critical evaluation, that is so- called Ethnocentrism. With ethnocentrism, people get a narrow view on the diverse of culture, because they assess cultures with their own scale of own group, with different ethnic, culture, etc. Always, people prioritize their own definition of values, norms and belief and consider it as better than other's. Related closely to ethnocentrism is prejudice- the way people give judgment about others rely on previous decision or experiences. Porter & Samovar (2007) argued that prejudice allows people to keep partially fixed attitude undisturbed and constant. Sometimes it can be positive due to its function of reducing anxiety for people with familiar way of structuring observation to others. However, normally prejudice causes negative impact, for instant, limitation to see multiple aspects and qualities of other cultures.

In short, it might be true to see the fixed attitudes of people on ethnocentrism and prejudice is very constant. In order to understand the others, people need to be open- minded and mitigate the equable traits of ethnocentrism and prejudice. For leader, specially, a requirement of being open-minded is very important. It makes sure that they see the world, as well as cultures, freely, wisely and globally. If a leader attains ethnocentrism term, he/ she would narrow the things valuable within his/her own assessment and limitation, prevent them from fully understanding or respecting the viewpoint of others. Besides, in case of the prejudice term within multinational organization, leader might face a challenge of solving problems among followers who have their own prejudices to each other. These two terms mean very serious and critical. It might be less than racist but it implies the differentiating of people on other cultures, so in other word, it can create several obstacles, challenges and difficulties for leader. It was being said by Zarid & Farid (2007), that a model leader is the one who could retain his individual personality, keep the national culture very close, at the same time being integrated into the cultures which belong to the firm. The core point here is the awareness of leader in realizing themselves in ethnocentrism and prejudice that lead the effectiveness of business.

Culture terms and characteristics are plentiful. Many experts have been researching on the field to categorize differences of different nations. Particularly, Hofstede's theory has been widely used to categorize and sort out. His work illustrated the five major dimensions of culture, which consisted of Power distance, individuality/ collectivity, masculinity/feminist, long-short term orientation, uncertainty avoidance and finally, the newest dimension- Indulgence versus restraint were added by Michael Minkov in 2010. (See Figure 3).

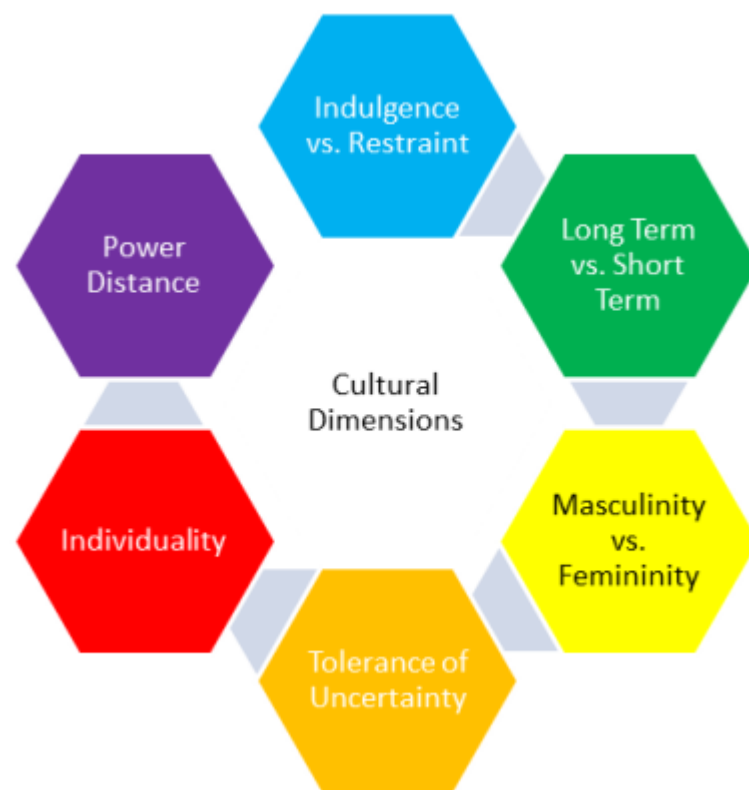


Figure 4. Hofstede's cultural dimensions

Reproduced from: Jerome Rowley 2012

Hofstede national cultural dimensions

Power distance

According to Hofstede, is the issue of making distance between people class in the society, how people in the lower powerful expect the power distribution unequally. In high power distance nations, there's hierarchical order to follow and places in society. In contrast, low power distance nations tend to bring equal rights and demand justification for inequalities of power.

Individualism – Collectivism

The dimension of which individual people are going to take care of themselves and their immediate family is so- called Individualist while collectivist people tend to expect the others, for example, colleague, acquaintance, relatives, etc., to corporate, help or share. Individualist people image themselves as I, while collectivist people are we.

Masculinity – Feminist

Masculinity refers to the society which cares mostly about achievement, works, rewards for success, etc. whereas feminine culture tend to corporate to bring a better quality of life, care for the weak who has no strong preference about work like masculinity.

Long/ Short term oriented

Long-term and short-term orientation were clarified as the way people search for the virtue and truth. In long- term oriented countries, the truth are believe that can be different in circumstances, times, etc. They are adapted the tradition to change in various conditions and very patient in achieving results, in opposite with short-term oriented, the society that shows high respect on tradition, normative thinking and quickly achieving results trends.

Uncertainty avoidance

It is the explanation of how people are going to face the subsequent circumstances. High uncertainty avoidance nations are very carefully prepared

to the future, time is money, have an emotional need for rules and do not accept unorthodox ideas and regulations. In contrast, low uncertainty avoidance nations are easily accept the unknown situations, willing to accept new ideas and creations, freedom is very significant for people in these countries.

Indulgence

Last but not least, the latest dimension of culture, which was added by Michael Minkov, is Indulgence, which stands for the free gratification of people on basic needs, how they enjoy their lives and satisfy with their achievement, while Restraint- stands for the society that suppresses basics needs of people, try to block it by strict social norms. (Michael 2010)

The research of Geert Hofstede has brought an illustration of cultural differences among nations that are usually found on the deepest layer of culture, even the major dimension of cultural differences were exploited. Below is a figure (Figure 4) of Culture as an onion, which shows the different levels of culture that are identify on the layers of the onion. The culture onion is considered as Core and it has three layers. Rituals, the first layer next to Core values, represents for the social behavior of specific culture, which might refer to the association with social values that was traditionally a part of myth (Schultz & Lavenda 2005). The second layer, heroes, is the role models of a culture, which is believed to be the image of nation on specific fields. The next layer, symbols, refers to the images, brands, gestures, objects with particular meaning that are defined as belong to that one culture. Finally, the deepest layer, Value stands for the core and persistent value of culture, which is believed to be very hard and slow to change. Belief, norms, values, attitude are strongly affected from the previous generations. With this core values, one group can distinguish itself from the others.

In particularly, Hofstede meant to clarify that the core values as the thing that deep into the onion, couldn't be exploited or influences quickly. Each layers of the onion shows how abundant the differences can be among nations,

especially the core of the onion, the most persistent attitude that hard to be changed. The onion metaphor demonstrated the plentiful traits of cultures that really needed to be taken into consideration in an organization. Culture should be learnt. Learning about one culture is about to understand and adapt their values, conceptions, etc. The “worldly leaders” should be able to have perception on the nation, keep his/ her individual national characteristic and at the same time being integrated, thus bridge the different gap and create mutual values and an effective leader should be able to mix the factor and reach target achievement. (Figure 5)

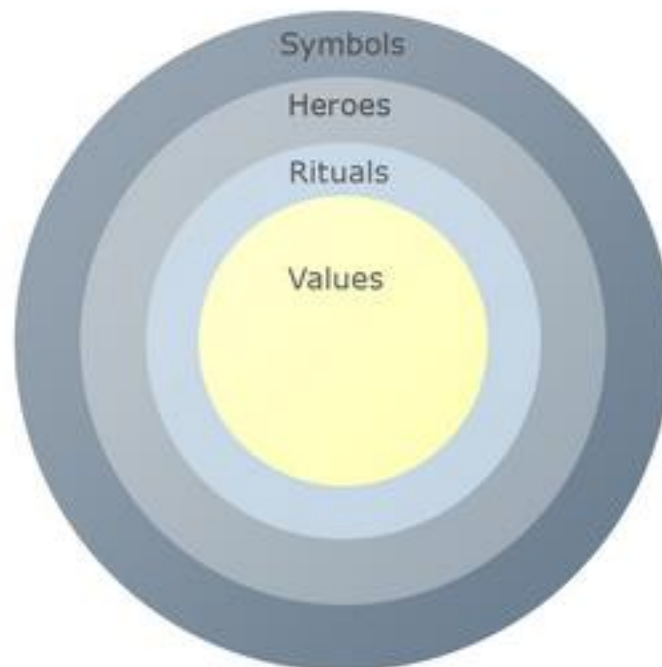


Figure 5. Culture as an onion

Re-produced from: Communicaid 2010

3.3 Leadership in multinational organization

GLOBE research

GLOBE research, which was founded in 1991, is research on relationship among cultures, organization and organizational leadership. GLOBE's main goal is a development of describing and suggesting specific cultures on leadership and organization (Robert et al.). The research focused on the following nine dimensions:

1. Uncertainty avoidance: refers to the index of accepting alternatives, unpredictable, risks or changes from the society. This dimension expresses the cultures with traditional values, or a culture with no restriction.
2. Power distance: considered as to what extent a culture express their tradition of sharing power equally or not. This also refers to how inequalities are handled among people. Hierarchy is important for countries with high power distance index (PDI) whereas supposed not for countries with low PDI.
3. Institutional- collectivism: Interest, goals, wishes of a society is considered in further limitation than individuals.
4. In-group collectivism: stands for the people who contributes, gives loyalty and enthusiasm into his/ her own family or organization.
5. Gender egalitarianism: the degree of how organization or society concern gender equality within its unit.
6. Assertiveness: the trait of how people behave in social relationship. It can be aggressive, assertive and tough for some cultures, but can be timid, docile and conformable.

7. Future orientation: People in the society look forwards the future. They focus on planning, implementing and contributing for the future. It also implies the extent of how people enjoy their life presently or how do they get prepare for the future.
8. Performance orientation: This dimension refers to the present orientation of the society. People are motivated to work and achieve goals, accomplish given task forward rewards.
9. Humane orientation: The last dimension on the nice dimensions of GLOBE project stands for the encouragement of being humane for people by the society. People are encourage and are rewarded for their positive personality, which insisted of some characteristics, says, generous, kind, fair, motivated, etc.



Figure 6.A model of effective leader.

Reproduced from: Farid & Ziad 2010, p. 74

The GLOBE project aimed to study on the cultural differences based on those dimensions, applied to sixty two (62) countries and resulted in ten categories of ten main country clusters (Peter 2010). The latter figure is about those group's characteristics, classified by nine mentioned dimensions.

The ten country clusters included are Anglo (Canada, the US, Australia, Ireland, England, South Africa (White sample), New Zealand); Confucian Asia (Singapore, Hong Kong, Taiwan, China, South Korea, Japan); Eastern Europe (Greece, Hungary, Albania, Slovenia, Poland, Russia, Georgia, Kazakhstan); Germanic Europe (Austria, The Netherlands, Switzerland, Germany); Latin America (Ecuador, El Salvador, Colombia, Bolivia, Brazil, Guatemala, Argentina, Costa Rica, Venezuela, Mexico); Latin Europe (Israel, Italy, Francophone, Switzerland, Spain, Portugal, France); Middle East (Qatar, Morocco, Egypt, Kuwait, Turkey); Nordic Europe (Denmark, Finland, Sweden); Southern Asia (Philippines, Indonesia, Malaysia, India, Thailand, Iran) and Sub- Saharan Africa (Zimbabwe, Namibia, Zambia, Nigeria, South Africa (black sample)).

Below is a classification of characteristics based on countries clusters. First of all, the first cluster, Anglo is described as competitive and results oriented, due to its high index in performance orientation, and less family/ group oriented due to low in in- group collectivism.

Confucian Asian part appears to be very collective and tend to work together toward results achievement, as well as being loyal and careful to their families (High scores in performance orientation, institutional and in- group collectivism).

Eastern Europe, achieved high scores in assertiveness, gender egalitarianism and in-group collectivism; low scores in performance and future orientation, uncertainty avoidance, which shows the cultural traits of collective workforce, equal among men and women, and simultaneously less achievement driven; laws and regulation are major in retaining orders within society.

Germanic Europe countries, scored high in dimensions of performance and future orientation, uncertainty avoidance and assertiveness, while achieved low in humane orientation, in- group and institutional collectivism. That showed Germanic countries as very task- oriented, competitive and very tough, assertive in social relationship, at the same time, do not seem to be collective but tend to work very individual in.

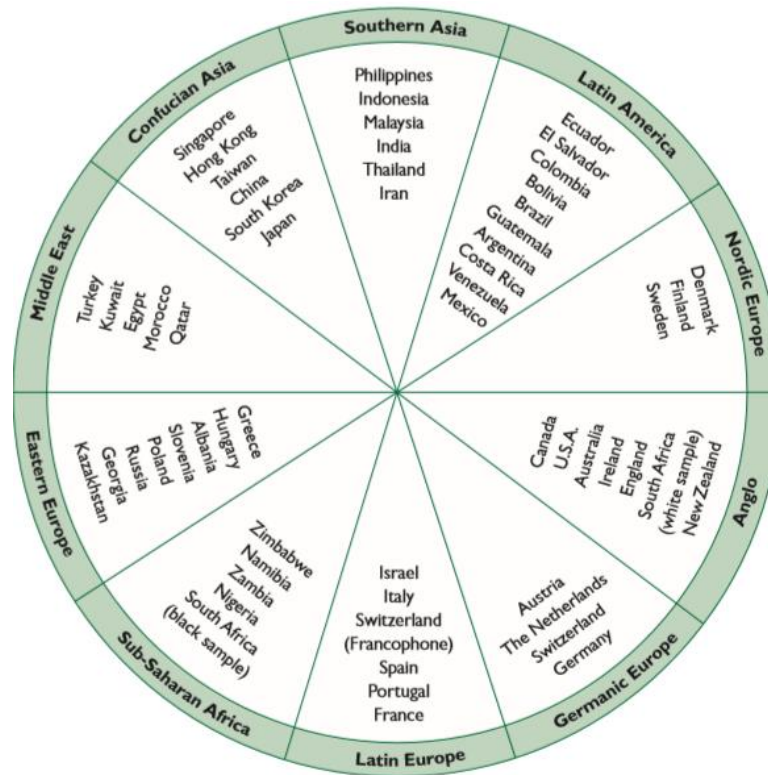


Figure 7. Country cluster from GLOBE research.

Reproduced from: Robert & Paul et al.

Latin Europe (Italy, Spain, Portugal, France, etc.) cluster, with no high scores in any dimension, but scored low in humane orientation and institutional collectivism, express characteristics of the group as very individual, especially in the range of institutional and less value on societal collectivism. Those countries are seen as individual in autonomy (Peter 2010).

Nordic Europe, included of Denmark, Finland and Sweden, the three most richest nations in Europe, scored high in future orientation, uncertainty avoidance, institutional collectivism and gender egalitarianism, refers to characteristics of equal society enhance, working forward future's achievement and tend to work towards organization, being more collective in institution, which means cooperation, instead of family groups with their low scores in in-group collectivism, assertiveness and power distance.

Latin American countries, turn out to be very family and in- group oriented but not broader, due to its high score in in- group collectivism. These countries in the group express to be love to enjoy present their achievement and not much fascination in institutional collectivism. They are willing to take risks and obstacles in case of unpredictable things are happened. (Low scores in uncertainty avoidance, performance and future orientation and institutional collectivism.)

Middle East group of countries like Turkey, Marocco, etc., that scored high in in- group collectivism and lowed in future orientation, uncertainty avoidane and gender egalitarianism showed to be power- cared when women are treated differently, in compared with other groups, less powerful than men. Orders, rules and regulations play not much serious roles. They live for the present and showed collectivism traits of in- group limitation, which mean their own family or groups/ organizations.

Southern Asia, according to Peter (2010), is very strong family loyalty and always concerned about the community/ society. (High scores in humane orientation and in- group collectivism.)

Sub-Subharan Africa, this last cluster with high score in humane orientation, appears to be well-concerned about human beinga, other's feelings and so on. For countries in this group, people are very devoted to their families and relatives, as well as friends.

| Cultural Dimension | High-Score Clusters | Low-Score Clusters |
|-----------------------------------|---|--|
| Assertiveness orientation | Eastern Europe Germanic Europe | Nordic Europe |
| Future orientation | Germanic Europe Nordic Europe | Eastern Europe Latin America Middle East |
| Gender egalitarianism | Eastern Europe Nordic Europe | Middle East |
| Humane orientation | Southern Asia Sub-Saharan Africa | Germanic Europe Latin Europe |
| In-group collectivism | Confucian Asia Eastern Europe Latin America Middle East Southern Asia | Anglo Germanic Europe Nordic Europe |
| Institutional collectivism | Nordic Europe Confucian Asia | Germanic Europe Latin America Latin Europe |
| Performance orientation | Anglo Confucian Asia Germanic Europe | Eastern Europe Latin America |
| Power distance | No clusters | Nordic Europe |
| Uncertainty avoidance | Germanic Europe Nordic Europe | Eastern Europe Latin America Middle East |

SOURCE: Adapted from House, R. J., Hanges, P. J., Javidan, M., Dorfman, P. W., & Gupta, V. (Eds.), *Culture, Leadership, and Organizations: The GLOBE Study of 62 Societies*, © 2004, SAGE Publications, Inc. Reprinted with permission.

Figure 8.Clusters' characteristics classified from cultural dimension.

Reproduced from: House & Hanges et al, 2004.

From the categories and brief descriptions of ten clusters, GLOBE researchers also identified the following six main global leadership behaviors, to determine the different point of view from people from different countries, in the term of Leadership: the way they define leadership and how cultural traits affect leadership culture in organization. The leadership behaviors are matched specific clusters based on specific characteristics of different groups of cluster.

That is how the GLOBE research will be applied to the case companies in the empirical part, which will be given latter, to study on how people from different cultures view leadership, and so on find out the most suitable way to work and integrate into the international atmosphere.

Firstly, charismatic value based leadership, stands for leader who is able to inspire people with vision and encourages people to perform highly value. Specific traits are visionary, decisive and performance oriented, inspirational. In this leadership behavior, Latin America, Latin Europe, Nordic Europe and Anglo retained high while Confucian Asia, Sub- Saharan, Southern Asia and Middle East expressed low.

Team- oriented leadership included of behaviors such as loyalty and collaboration devotion, value team work and emphasize common goal of the team. Latin America and Confucian Asia showed high index in style of team-oriented behaviors, based on their characteristics of in- group collectivism with high scores, in compared with others that showed low scores, says, Anglo, Southern America, Germanic Europe or Middle East.

Participative leaderships behaviors, refers to leader who usually encourage people to take part in the process of making decision or own way assignment completing. Moreover, equality and delegation are valued high. Due to the previous table of characteristic specialization, Nordic Europe and Anglo nations appear to have high extent of leaders who are participative in leading people- nations which really enhance the importance of equality and self- performance during working. In contrast, Confucian Asia and Southern Asia showed very low index of leaders that obtain participation, due to the fact that people in Asian area tend to have more power distance in working power status and the leader is the one to give decision.

Humane oriented behaviors, similar to the mentioned traits, stresses human-being needs, feeling and thoughts. Leaders who express humane oriented also considered as very supportive, modesty and sensitive with the others' demands and so on. Anglo and Sub-Saharan Africa turned out to be the most humane-

oriented leaders while Latin Europe, Nordic Europe, Southern Asia, Germanic Europe and Middle East nations in particularly own lower extent of that.

Autonomous leadership behaviors stands for the ability of high individualism and very independent. The highest ranked are Eastern Europe and Germanic Europe, based on their high individualism and very independent. On the other hand, Latin America, Latin Europe and Sub-Saharan Africa remained low due to their high traits of being collectivist oriented.

Last leadership behavior, self- protective, considered the style of working with face- saving behaviors, very high concern about power and position status and individual/ group's security is highly enhanced. In this style, Eastern Europe and Latin America, Confucian Asia, Middle East and Southern Asia reached high, left over are Nordic Europe, Anglo and Germanic Europe (High consideration in equality).

In conclusion, GLOBE researchers have demonstrated a very clear identification of leadership behaviors in very abundant styles; rely on various nations in the World. The organizations, in different circumstances, show divergent views of leadership and expect leaders to satisfy their own perception of leader.

In short, after giving some general aspect of GLOBE research with the cluster of countries that categorized with major traits and the main leadership behaviors that had been identified, there is no obstacle to see the differences in view of people from different nations on term of Leadership. People viewed it differently, thus considered an effective leadership differently, or let's say, in their own perception and norms. In a multinational working environment, it's initial for the leader to have clear background of other cultures, to see how they view the leader and what their core values is. From that background, the easiness in creating trust and influence follower is way clearer. Figure 5 also pointed out an almost perfect module of an effective leader, which the leader are designated to be the mix creature of 3 initial factors.

III. EMPIRICAL STUDY

4.1 Research methodology

In this part, research methodology will be presented. In order to reach the core value of thesis, main method, triangulation, which is insisted both Quantitative and qualitative research, were used. When qualitative is the research of collecting data as numerical, such as statistic and percentages, qualitative is the method of collecting information in words data (Given 2008). To have a clearer distinguish, information was also collected from secondary data, says, book, course lecturer, etc. Research methodology will be discussed in the table below.

Table 1 Qualitative and quantitative methodology comparison.

| | Quantitative Research | Qualitative Research |
|--------------------|---|---|
| Purpose | Look for explanations/ predictions that are able to be generalize. | Look for better understanding of complex situations, meaning of phenomenon. |
| Process | Methods are defined before beginning of study. Researchers can remain the research detached. | Considered as emergent research method. Researchers deep into the complex situation and maintain open to interviewee. |
| Data collection | Involves data such as numerical values or quantities or variable interest. | Involves data such as characteristics or qualities. |

| | | |
|--------------------|--|--|
| Reports finding | Data are reduced to the median. Analysis proceeds by statistics, table or charts. | Interpret data from interviews. Analysis proceeds by generalization from evidence and data. |
|--------------------|--|--|

Reproduced from: Cory, Isaacs 2013.

4.2 Research Approach

The main research method which was used is quantitative research with secondary resources; however, qualitative research was used also to achieve the explanation of participant in the term of topic. It's argued that which methodology and tools are suitable for which issues depends on the targeted problems and its own purposes. (Ghuri & Gronhaug 2005 109). There were two different surveys for two targets: Leader versus Follower.

Quantitative research method is used for gaining the precise definition and own view of interviewee. This aspect is believed to be valuable due to the clarification of phenomenon that has been discussed about during study. Golafshani (2003, 598), quoted Glesne & Peshkin's statement about quantitative research, as "... supported by the positivist or scientific paradigm, leads us to regard the world as made up of observable, measurable facts". Researchers who use Quantitative method tend to utilize standardized measures in order to fit the perspective and experiences of people to the number of response categories (Patton, 2001, 14). Besides, qualitative research method aims to question participants about their leader and how do the leaders fit to the organization. Leadership assessment is more likely to be

fair assessed by the followers under control and guidance of leaders. Ghauri & Gronhaug (2005, 111) also mentioned that qualitative method is suitable for research's purpose of social and behavior sciences. This methodology is proper for organizational study, says, groups or individuals. In this thesis, as the aim of research is to study different view of people from multinational organizations on how does a leader do, and how can they be assessed as effective leader, qualitative method was mainly used, approach the views of employees, as well as the leader, in different nations.

Research characteristics

Giving an effective research is challenged. In order to create a persuasive and useful research, researcher should have been aware of knowing which characteristics that a research should contain, so that they can do it precisely. Some main and very simple traits of a research were simply given by Wikiversity, which are believed to be very basic and sufficient. Those are analytical- data are analyzed fully to avoid error of interpretation; empirical- observation and experimentation based; systematic- follow orderly procedure; controlled- data can be variable but the tested data should be kept constant; employs hypothesis; objective, unbiased & Logical; employs quantitative or statistical methods- collected data to be translated into numerical measures and statistically. My own point of view sees that those traits are very basic to see if a research is well- done, or how should I do my own effectively.

For the leader, triangulation method was used: there were four questions for interviewing the point of view from three leaders, plus thirty eight questionnaires to study on leadership models and level of leadership. In aspect of the followers, there were twenty questionnaires which were similar to the twenty questionnaires that have been applied for leader, and twelve others to identify leader with the cultural dimension which appeared in multicultural

working environment. Target of thesis are VACD- Vietnamese Association of Corporate Director- Italy branch and Toyota Boshoku Hanoi- Vietnam.

4.3 Validity and Reliability

In order to assess one report's quality, there are two main quality standards to be based on: Validity and Reliability. Validity is the degree of correct and valued data that has been collected for interpreting into explanation. It is considered as trustful and valued due to its targets of participants, as well as the validity of sources. Reliability, on the other hand, refers to the extent of the data's values over time, its experiments of resulting in same results on repeated trials (Writing@SCU). An author could not prove that his paper is qualified unless he show clearly the procedures of implementing a dissertation with which research methodology, in core, indicate that the research is reliable and its result is valid (Silverman 2004, 204).

In the thesis, the questionnaires which were used can be considered as reliable due to its researched and utilized on previous research (Leadership Theory and Practice), twenty questionnaires were from the book Leadership Theory and Practice that had been proved by many researchers and authors in many times with different audiences. The same design of research was used similarly in obtaining results from attendants, which can prove the reliability of the research.

Sultana (2012, 37), stated that it is risky to use old framework and theories while the aim of thesis is about leadership literature, where "cultural values are most often related to it", and "usually complex and changes habitually". Moreover, it is also can be considered as valid, due to direct interview by emails and phone calls to leaders of case organizations, and questionnaires on followers, who are currently working under management of targeted leaders. From those points of view, the researches in the thesis can be considered valid and reliable.

4.4 Case companies

Interviewees who were contacted for Qualitative research is given in the table below, afterwards, there will be further clarification of specific person with position within the organization.

Table 2 Interview attendant lists.

| <i>Interviewee</i> | <i>Organization</i> | <i>Position</i> | <i>Location</i> |
|--------------------------------|---|---|-----------------|
| 1.Hironori Sakaguchi | Toyota Tshuho Vietnam | Senior Manager | Hanoi- Vietnam |
| 2.Van, Nguyen Thi Thanh | Vietnamese Association of Corporate Director (VACD) | Head- presentative of VACD- Indochina Village Group's President | Bari- Italy |

4.4.1 VACD – Vietnamese Association of Cooperated Directors

VACD – Vietnamese Association of Cooperated Directors, with its office in Bari, Italy, is operating under control of a Vietnamese representative cum Chairwoman of Indochina Village Group, a travel company in Vietnam.

VACD, in general, is a non- profit organization which it's headquarter located in Hanoi- Vietnam, with mission of building up knowledge and skills in the field of business management. They implement meeting, training program, workshops, etc, in order to build up the bridge for developing business corporations among countries, start at Italy, Switzerland, and Singapore. There has been trading among the countries and since then operated more offices in the globe.

VACD- Italy was established in 2012. Its structure of management system consisted of the Head Representative, a Vietnamese businesswoman, Italian accountant, lawyer and other office staff under Indochina Village Group, working in Bari, the southern city of Italy. Mrs. Van Nguyen Thi Thanh, the

Head Representative of VACD- Italy, has been actually being a leader of Indochina Village Group in Vietnam. The Chairwoman with many years of experiences in effectively managing and operating staff is currently facing problems at the local working operation. With a different and international location, environment and staff, running business turned out to be obstacle. Italy, a country of Latin European nations is a culture with background and working system that are distinguished with Vietnam, a country in the South East Asia. Italian and Vietnamese's country profiles comparison is showed in Hofstede's cultural comparison in website as figure below.

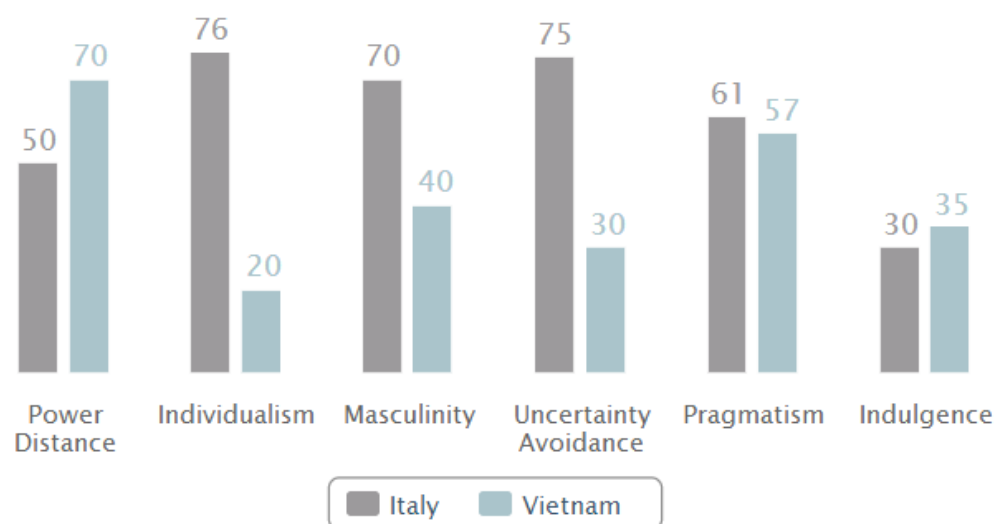


Figure 9. Comparison between the Vietnamese and the Italian cultures.

In short, it is clear to see that Vietnam and Italy have contradictory dimensions of cultures, except for their pragmatism and indulgence that showed roughly similar. Italy, especially in the South, expressed its prefer of equality and decentralization of power with score of 50/100 while Vietnam stand for 70- means of power and decisions are under controlled of higher status with higher position people. Italian people tend to be very individual whereas Vietnamese

appeared collectively. The pronoun of “Me” is concerned very important to Italian, their own ideas, life style and so on, are very motivate. Nowadays, when Vietnam has been becoming less masculinity, more feminine, the society of caring to the others and life’s quality, Italy still maintained high (index of 70) in masculinity dimension, the society of competition, winner/ best encouragement that have set up since school life. Besides, uncertainty avoidance index between Italy and Vietnam also showed a big difference: Italy achieved 75 when Vietnam remained low at 30. In this dimension, Italian tend to be uncomfortable in unpredictable situations and also is apparently shocked foreigner for doing procedures contradictory with their own norms, orders and civil code (Hofstede). Italian environment appeared to make stressful for people with high index in masculinity and uncertainty avoidance. In contrast, Vietnam as low UAI, stand as more relaxed and easy tolerate. For Vietnamese people, rules and regulations are not ordered until necessary and perform flexibly.

Finally, the only two similar dimensions of Italy and Vietnam, is pragmatism and indulgence. Two countries scored quite high in pragmatism average (Average of 60), in which the society showed their belief of adaptation and flexibility. Traditions are about to change conditions, and they are very tending to achieve goals. Indulgence, however, refers to the meaning of society restraint. Low score of Italy and Vietnam indicates the strict social life, in which people control their own desires and demands. People in these two society believed that their demands and actions will be judge by the social norms and perception, so they are very aware of it.

To shortly summarize, cultures between Italy and Vietnam is not considered similar, but in the period of Globalization, it’s required to bridge the gap thus bring about collaboration, productivity and benefit. To see that Italian and Vietnamese people contain not much likeness, therefore there are more pressures to the Vietnamese leader to work effectively in Italian environment.

4.4.2 TOYOTA BOSHOKU HANOI

In general, Toyota Motor Corporation is a Japanese automotive manufacturer, headquarter in Aichi, Japan. Toyota, with a huge workforce from the world wide, as report showed, 333,498 employees are contributing to Toyota's produce activities. Referred to be the largest automobile manufacturer which beat VW and General Motors, largest listed company in Japan, the corporation has been developing with thousands branches in the World, with the insistence of its own local expert in almost every single branches, which mean Japanese experts are widely- spread in every branches toward restraint sustainability.

Back to the case study, Toyota Boshoku is a branch of Toyota in Hanoi, Vietnam. Setting up its production base in Hanoi, Toyota Boshoku is in charge of producing automotive seats and other automotive accessories. Despite the working environment is Hanoi- Vietnam, the working system is strictly regulated and managed under Japanese manager/ leader's supervisor.

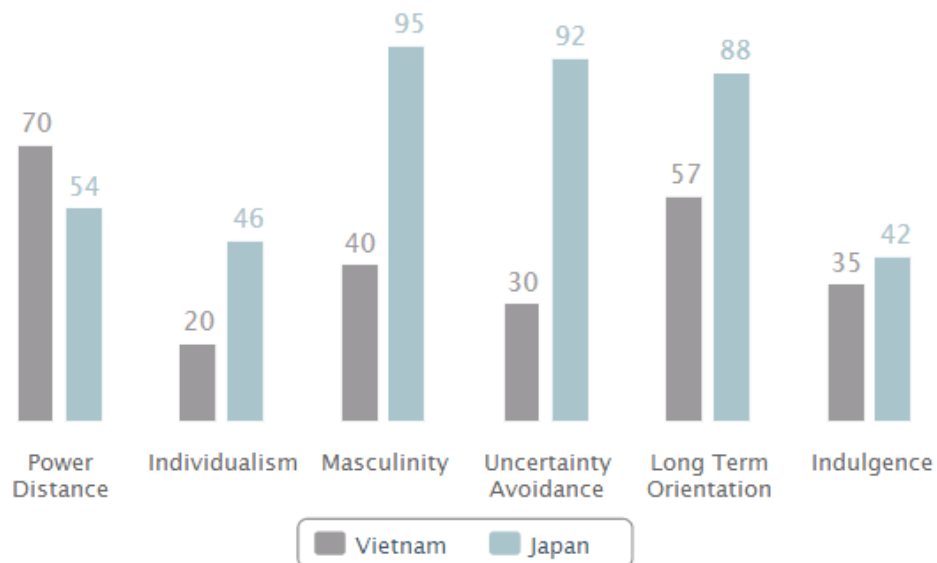


Figure 10. Vietnam- Japan cultures comparison

Similarities are easy to clarified as both Japanese and Vietnamese people helped giving result of being very conscientious in hierarchy, one of the most common factor among levels within Asian regions and the tradition of

considering Restraint as a Must- follow due to their ancient tradition, social norms are important that control their desires and impulses to be expressed. Another dimension, Individualism/ Collectivism clarified the likeness of Japan and Vietnam, with scores of 20 and 46 that can be sorted out as low scores, categorize the two nations to Collectivist countries, where loyalty, strong relationships, responsibilities to other group members are initial.

Despite the so-called Asian nations, Japan and Vietnam has contradictory views on the other four aspects in Hofstede's research. The most remarkable contrast of them included of the index of meaning of competition and achievement which is educated through whole working and living path towards target and the extent of tolerance for uncertainty and ambiguity, as well as the long-term orienting among relationships and consideration to the future or present.

In the first data (Masculinity/ feminist), Vietnamese people is considered different to compare with Japanese people. While Vietnamese people has been taking care more to the others and decreased the importance of being pushed to achieve things in competitive ways, Japanese showed very high score, which designate the methodology and living style. They use competition, winner, rewards, etc. to encourage people since young, thus increase the productivity of studying and working.

Vietnam and Japan are grouped as long- term orientation (Scored of 57 and 88), assigned that they are both heading future instead of putting too much attention to the past and present. Propensity towards goals is very high.

In conclusion, Vietnam and Japan show the result of more sameness in cultures. That is also true to confirm that due to that fact, Japanese companies are currently being very developed in Vietnamese market.

The point here is, will it be the leader or the employees that need to be changed in order to make the international working atmosphere benefit? The answer will be provided follow the later chapter.

4.5 Leadership description in defined cultures

In different working cultures, the leaders are believed to integrate into the atmosphere and create the most efficient productivity. As the study aims to two main local environments, Italy and Vietnam, the definition of Italian and Vietnamese people on “What leaders are ?” is considered important as it is the core of how people see their leaders and thus follow their direction toward productivity.

The figure below insists how Italian employees evaluate their Vietnamese leader, and how Vietnamese employees assess their Japanese manager in their local work location. This will also show how people in defined cultures conceptualize their leaders, simultaneously compare to how the leader judge the styles of leader they are. The questionnaires were done by 20 VACD-Italy’s Italian employees and 20 Vietnamese employees of Toyota Boshoku-Hanoi.

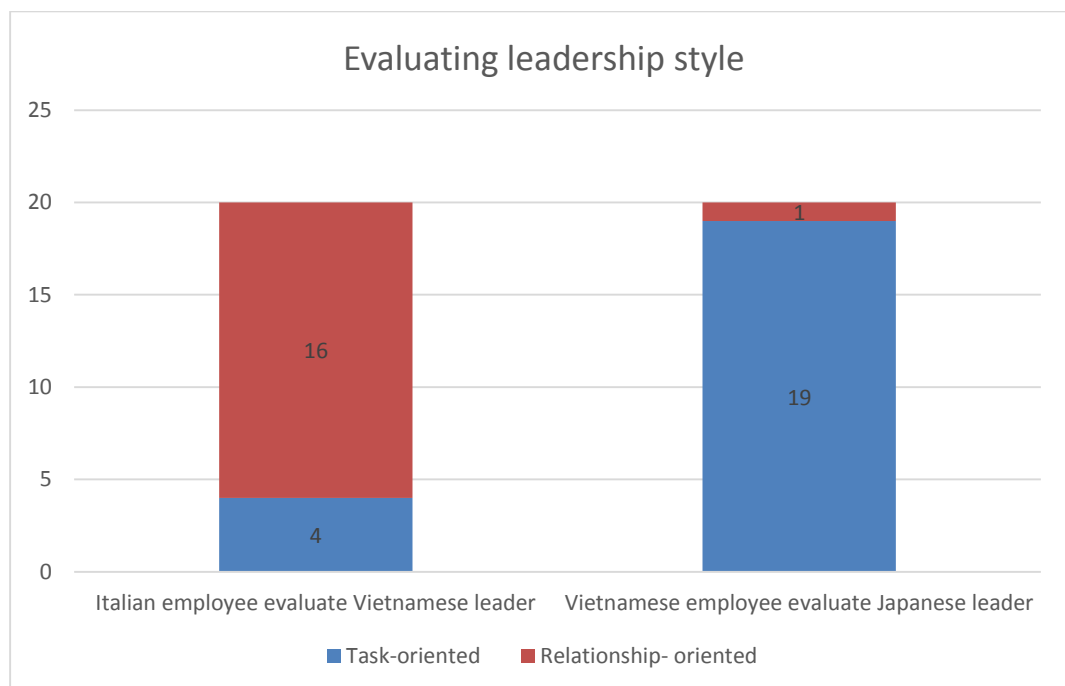


Figure 11 Leadership style evaluation

First of all, as can be seen, not 100 percent of the employees in VACD's office agreed on colleagues on one specific style of their boss. 16 in 20 interviewee stands for 80% of Italian employees, made believe that the Vietnamese leader in their enterprise is relationship- oriented while the 4 left employees (20%) indicated in reversed. In the same questionnaires, the result Mrs. Nguyen implemented has brought out a difference to 80% of the employees, which means only 20% of workers were able to work with the leader exactly as the style of leadership she is. 80% people see that Mrs. Nguyen has been working in relationship- oriented style, and the changes from the leader towards integrating into culture might be the answer for that.

The Italian society is not indeed a favorable context to become a leader- said Santalco (2010) in his research of Cross cultural leadership about Chinese and Italian leadership style. He investigated that Italian culture is strongly a culture of low level of social mobility and high level of inequality, a society of which inequality lead to stagnant social classes, high dimension of masculinity that lead to not many woman leader existed in the community. Hofstede's study showed that Italian is more than task-oriented, so, to blend into the culture, the Vietnamese woman leader drove her style of task-oriented which she applied only to 20% of employees, into relationship one to mostly 80% of organization, thus get on well with employees, however, the efficiency of work might not be high as she usually able to do to compare.

Return to the second case, Toyota Boshoku Hanoi, 95% of employee conceded their Japanese leader Task- oriented, the same as he assessed himself based on the questionnaire. Also mentioned in the interview, Mr. Sakaguchi stated that he works toward task completion and productivity, which could be known as task-oriented. While the Vietnamese leader tended to change her style of leadership into relationship-oriented, Mr. Sakaguchi still maintains his working style Japanese and task-oriented, which proves the Vietnamese are more pragmatic than the Japanese (which was not included in Hofstede's study specifically).

The figure below will be given as a step of analyzing how Hofstede found Italian people are based on 6 dimensions. Mostly Italian scored 70 in power

distance, 20 in individualism, 40 in masculinity, 30 in uncertainty avoidance, 57 in long-term orientation and 35 in indulgence. The empirical part gave a result of comparing how Italian people, with those score of cultures, judge their Vietnamese leader, thus we can measure the differences of working environment.

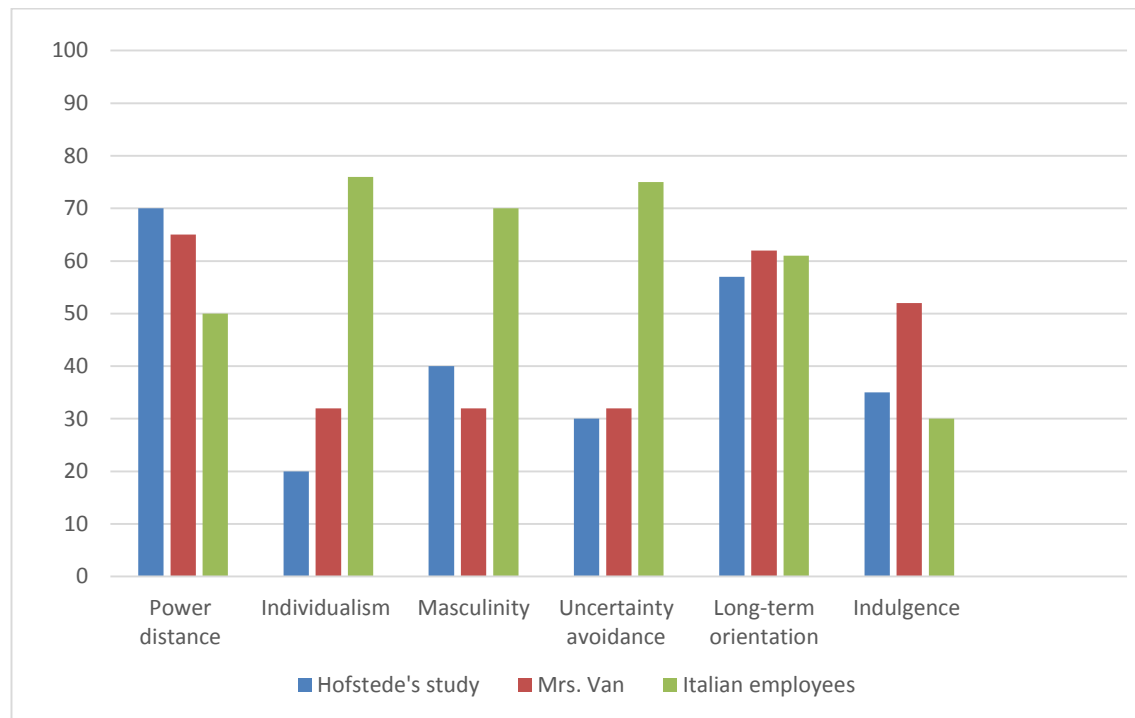


Figure 12 Comparison between theory and reality in Italy

Similar to that, Figure 13 showed differences among 3 main kinds of data sources, Hofstede study on 6 dimensions, Mr. Sakaguchi assessed himself and Vietnamese employees evaluated the Japanese leader. Hofstede scores can be transparently seen that it were way higher than Mr. Sakaguchi's and the Vietnamese' scores. It clarified the reality versus theory, that Japanese leader is totally different from Vietnamese working culture because of critical distance among individualism and uncertainty avoidance dimensions.

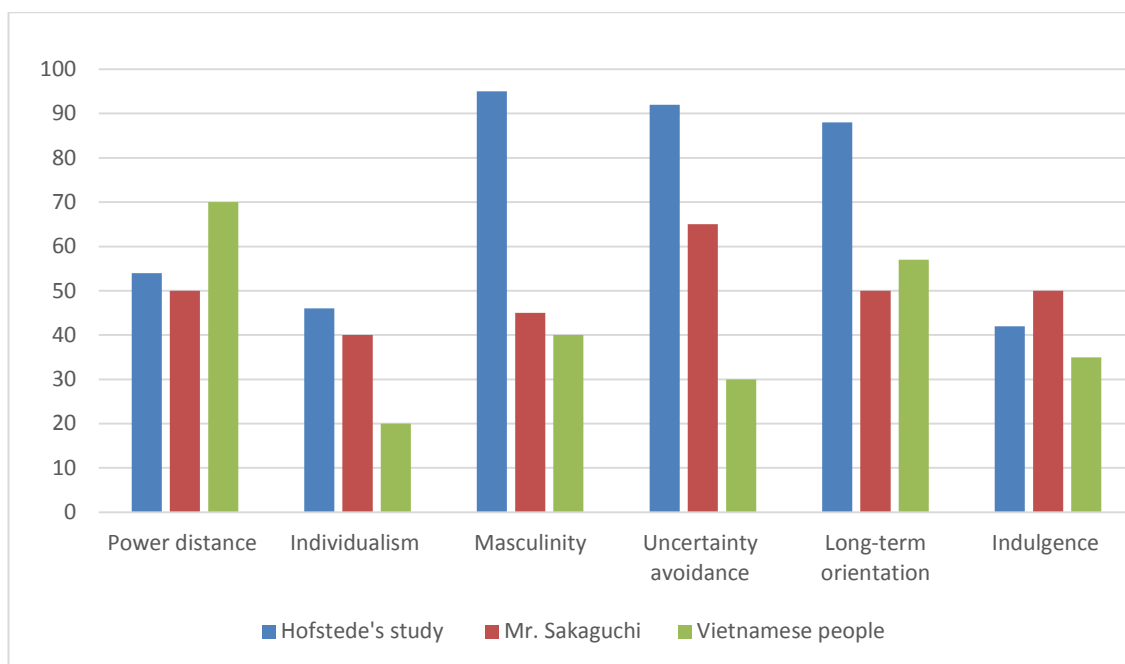


Figure 13 Comparison between Theory and empirical study in Vietnam

IV . CONCLUSION

5 Conclusion

The information above expressed charts asserts that there are not many similarities among those data. To shortly conclude, in local working location, the Vietnamese leader was facing problem in differences of power distance, masculinity, uncertainty avoidance and indulgence, which can be explained as reasons of why do Italian acting in contradictory to compare with what the Vietnamese leader expected. The fact of working like time wasting, more relax than productivity and very relationship- oriented has led Mrs. Nguyen to less productive results. Those distinguishes in dimensions might be concluded in the way of how Italian employee really look forward their leader.

In short, we can conclude the case of VACD as Vietnamese leader's lacking of reputation that lead to fewer productivity. This obstacle might occurred due to reason of prejudice, the high masculine index of Italian culture and absence of being able to create cultural mixture from the leader when she took the responsibility to work above Italian workforce. To be specific, it might be true to say Italy is a stronger nation to compare with Vietnam. Under-evaluation may appear when someone thinks they are better than the others. Thus, the Italian people might have their own prejudice, in combine with the lack of positive collaboration from Mrs. Nguyen, has led to shortage of reputation and credibility in working culture, making the employees to show their unwillingness of following their leader.

Again, to compare with the situation of VACD in Italy, TOYOTA BOSHOKU HANOI with the Japanese manager has been working well in local market of Vietnam. There is currently more and more Japanese investment in Vietnam, and also lots of Japanese people are working for Vietnamese market. To clarify, Japan is a strong and developed nation in Asia regions. The high restraint and very strict discipline of Japanese were globally known. It created the prejudice for Vietnamese people. They make greater and more consistent belief on the managing methodology of Japanese as it would help making more productivity. Moreover, similarities between two cultures has made easier to build a better working habitat. Japanese working method is concerned as

working effectively in Vietnamese market thanks to its distinct difference. Vietnamese people work hard when necessary and not for their own sake (Hofstede), while Japanese care the most about productivity and are very detailed in pointing out how should the work be done. The two points have matched perfectly and created the most benefit mixture for Toyota. Moreover, the most important fact is, unlike VACD, Toyota, a well- developed brand, with its global existence, has own strategy of creating mutual benefit in any markets. They have cultural programs for bridging the nations, connecting them and bringing about the best, the median and the worst to accompany, improve and develop their organization.

That are different methods of managing business from different nationalities, associate with the study on how different are the nations. So, we can see that based on various circumstances, situations and cultures, deep understanding to change or adapt is really needed. Leaders who want to behave efficiently, effectively and positively might need to consider themselves carefully before taking the role of managing a “Group”, then prepare precisely before being responsible for a multinational group.

In overall, another word for clear is the leader should be able to know how to act and manage globally. Not only the traditional norms, such as personal traits, characteristics, leading neither styles nor skills could decide how well could the leader act in multinational organization, but the leader should acknowledge that depends on deep understanding about the cultures, ability to adapt and apply the other cultures. The willingness to study the best from others and utilize it as a wisely lessons could help so much.

For any leaders that are about to work internationally, that might be meaningful to assess themselves firstly, then take a look at the local environment, see if it is going to match their working style and manager methodology. A dissection might gain several experiences for the leader to judge objectively. Study about the culture is of course a Must, and organize a cultural training program for employees might help them create credibility at the leader, as well as express their values, evaluations and traditions, which could be useful for the group to

go to the way of develop. Attune, find out the best, avoid the worst, “When in the Rome, do as the Romans do”, and they manage the group smoothly.

BIBLIOGRAPHY

- Agilevietnam 2013. The six leadership styles, 11th January 2013, <<http://agilevietnam.com/2013/01/11/the-six-leadership-styles/>> viewed on 28th January 2015.
- Aldo, S., 2010. Cross Cultural Leadership, Comparison between Chinese style and Italian style, DDIM thesis, Fudan University, Shanghai.
- Bass, B. M., & Audio, B. J. (1990a). The implication of transactional and transformational leadership for individual, team and organizational development. *Research in Organizational Change and Development*, 4, 231-272.
- Bass, B. M., & Riggio, R. E. (2006) *Transformational Leadership* (2nd ed). Mahwah, NJ: Lawrence Erlbaum.
- Bennis, W. & Nanus, B. (1985), *Leader: The strategies for Taking Charge*, New York: Harper & Row.
- Bennis, W. (1989), *On Becoming a Leader*, New York: Addison Wesley.
- Brian, D. F. "Parent Corporation responsibility for Tortious Conduct of its Foreign Based subsidiary: Is it Avoidable?", paper presented at a conference entitled "Counselling the U.S. Multinational", hosted by the American Bar Association Subcommittee on International Corporate Counsel, Section of International Law and Practice, October 11, 1985.
- Christos, P. & Roger, S. (2007) *The Nature of the Transnational Firm*. Routledge. p.72.
- Colorado State University, Writing @SCU, Writing guides, viewed 23rd December 2014. <
<http://writing.colostate.edu/guides/page.cfm?pageid=1386>>
- Communicaid n.d, 'The onion model of culture', picture, 18th March 2010, viewed 08th January 2015, < <http://www.communicaid.com/cross-cultural-training/blog/the-onion-model-of-culture/#.VK2jAfmSxps>>
- Covey, S. R., (1989), *The seven Habits of Highly effective People*. New York: Simon & Schuster.
- Farid, A. M., & Ziad, A. Z. (2010) *Developing Multicultural Leaders: The journey to Leadership Success*, New York: Palgrave Millan.

- Fielder, F. E. (1964) A contingency model of leadership effectiveness In L. Berkowits (Ed). *Advances in experimental social psychology* (Vol. 1, p149-190). New York Academic Press.
- Ghauri, P. & Gronhaug, K. 2005, *Research method in business studies. A practical guide*. 3rd edition. Harlow: practice hall.
- Ghemawat, P. (2007), *True North: Discover Your Authentic Leadership*, San Francisco: Jossey- Bass.
- Given, L. M. (2008) *The Sage encyclopedia of qualitative research methods*. Los Angeles, California: Sage Publication.
- Golafshani, N. 2003, *The Qualitative report* Volume 8 Number 4 December 2003, p. 297- 607, Toronto.
- Goodreads n.d., 'Tao Te Ching quotes', Goodreads, viewed 8th January 2015, <https://www.goodreads.com/work/quotes/100074>
- Hendrik, E., & Rommin, A. (2012) *BTS Insights, Globalization Demands Consistent Leadership Development*, viewed 11th December 2014. < <http://www.bts.com/docs/newsletter/bts-insights-globalization-demands-consistent-leadership-developmentD22AFEF0569D>>
- House, R. J., Hanges, P. J., Javidan, M., Dorfman, P. W., & Gupta, V. (Eds), *Culture, Leadership and Organization: The GLOBE study of 62 Societies*, 2004, SAGE Publication.
- Isaacs, C 2013, 'Virtual study Research method, slides, viewed on January 27th 2015, <<https://moodle.epedu.fi/seamk/course/view.php?id=1759>>
- Jerome, R 2012, 'Six sigma greenbelt – Define: Team dynamics and Hofstede's cultural dimensions', image, 19th December, viewed 08th January 2015, < 4squareviews.com/2012/12/19/six-sigma-green-belt-define-team-dynamics-and-hofstedes-cultural-dimensions/>
- Jingjing, W. (2014) *Globalization of Leadership Development, An Empirical Study of Impact on German and Chinese Managers*, Bayreuth: Springer Gabler.
- Kelly, H. P., 2004. *Essentials of Nursing Leadership & Management*, Delmer Learning, USA.
- Mayer, J. D., & Salovey, P. (1997) "What is Emotional Intelligence?", in P. Salovey, and D. Sluyter (eds), *Emotional Development and Emotional Intelligence: Implication for Educators*, New York: Basic Book.

- Nayef, R. D., Al, R. (2006) Program on the Geopolitical Implications of Globalization and Transnational Security, Definitions of Globalization: A Comprehensive Overview and a Proposed Definition. Geneva.
- Nohria, N., & Khurana, R. (2010) eds. Handbook of Leadership Theory and Practice. Harvard Business Press.
- Patton, M. Q. 2002, Qualitative evaluation and research methods, 3rd edition. Thousand Oaks, CA: Sage Publication.
- Paul, J. (2005) Arguing Globalization: Propositions towards an Investigation of Global Formation, Australia: Taylor & Francis Group.
- Peter, G. N, (2010) Leadership Theory and Practice (6th ed). US: Library of Congress Cataloging- in Publication Data.
- Porter, R. E., & Samovar, L. A. 1997. An introduction to intercultural communication. In L. A. Samovar & R. E. Porter (Eds). Intercultural communication: A Reader (8th ed., pp. 5-26). Belmont, CA: Wadsworth.
- Robert, J. H., Paul, J. H., Antonio, R. Q. S., Peter, W. D., Mansour, J., Marcus, D., Vipin, G. Cultural influences on leadership and organization: Project GLOBE.
- Robert, L. K. (1995). Harvard Business Review, Skills of an Effective Administrator <https://hbr.org/1974/09/skills-of-an-effective-administrator/ar/1> Viewed on 14th December 2014.
- Schultz, E. & Lavenda, R. (2005) Cultural anthropology: A perspective on Human condition. (6th ed). New York: Oxford University Press.
- Silverman, D. 2004, Qualitative research; theory, method and practice. 2nd edition. London: Sage publication.
- Sultana, A 2012, 'Leadership and Culture in the context of SMEs', Bachelor thesis, Laurea University of Applied Sciences, Finland, viewed on 28th January 2015. <https://publications.theseus.fi/bitstream/handle/10024/49429/Sultana_Abeera.pdf?sequence=1>
- Szulc, M., & Gugerheimer, P. 1998. Understanding Leadership Competencies: Creating tomorrow's Leaders Today. Course Technology Crisp.
- Thomas, L. F., (2007) The World is flat, A brief history of the Twenty- first Century, (3rd ed). New York: Picador/ Farrar, Straus and Giroux.

Zaccaro, S. J., Mumford, M. D., Conelly, M. S., Marks, M. A., & Gilbert, J. A. (2000). Assessment of Leadership problem- solving capabilities. *Leadership Quarterly*, 11(1), p. 37- 64.

APPENDICES

APPENDIX 1. Interview questions- Leaders**INTERVIEW – SURVEY**

Target: Leader

I. The first part of the Interview is about to clarify the term Leadership from your own point of view. Please read the questions carefully and give brief answer for each question.

1. What is your general view of being a Leader?

There are two main types of leadership styles: Task- oriented and Relationship oriented, which one do you think you are?

2. What do you think is important criteria in leading an organization?

3. How is the relationship among leader and followers in your organization? Do you provide equality or do you have certain distance with followers?

4. In case of working internationally:

a. Do you consider ethnocentrism and prejudice in your international working environment?

b. Do you integrate into the local environment working culture or do you keep your own cultural disciplines as you have been usually doing?

c. How many nationalities are there in your organization? Have you found any initial differences in culture with other people from different nations in your organization?

- II. The second part of interview aims to study on different models and levels of leadership. Please read the items carefully, indicate your response to each item by circling one of the five numbers to the right of each item.

Key: 1= Not true 2= Seldom True 3= occasionally true 4= somewhat true 5= Very true

| | 1 | 2 | 3 | 4 | 5 |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 1. I found it very interesting to work on the details of assignments. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Technical things fascinate me. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. I enjoyed working with abstract ideas. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. One of my skills is being good at making things work. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. As a rule, adapting ideas to people's needs is easy for me. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Being able to understand others is the most important part of my work | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Seeing the big picture comes easy for me. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. My main concern is to have a supportive communication climate. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. I'm intrigued by complex organizational problems. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. Following directions and filling out forms comes easily for me. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 11. Understanding the social fabric of the organization is important to me. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 12. I would enjoy working out strategies for my organization's growth. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 13. I'm good at completing the things I've been assigned to do. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 14. Getting all parties to work together is a challenge I enjoy. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 15. Creating a mission statement is rewarding work. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 16. I understand how to do the basic things required of me. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 17. I'm concerned with how my decisions affect the lives of others. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

III. This final part of interview is to study on different kinds of Leadership styles. Please read each item carefully and think about how often you engage in the described behavior. Indicate your response to each item by circling one of the five numbers to the right of each item.

Key: 1= Never

2= Seldom

3= Occasionally

4= Often

5= Always

1 2 3 4 5

- | | | | | | |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 1. Tells group members what they are supposed to do. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Acts friendly with members of the group. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Set standards of performance for group members. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Helps others in the group feel comfortable. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Makes suggestions about how to solve the problems. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Responds favorably to suggestions made by others. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Makes his or her perspective clear to others. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. Treats others fairly. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. Develops a plan of action for the group. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 0. Behaves in a predictable manner toward group members. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 1. Defines role responsibilities for each group members. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Communicates actively with group members. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Clarifies his or her own roles within the group. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Shows concern for the well- being of others. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Provides a plan for how the work is to be done. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Shows flexibility in making decisions. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Provides criteria for what is expected of the group. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. Discloses thoughts and feelings to group members. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. Encourages group members to do high- quality work. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 0. Helps group members get along with each other. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Scoring

The skills inventory is designed to measure three broad types of leadership skills: technical, human, and conceptual. Score the questionnaire by doing the following. First, sum the responses on items 1, 4, 7, 10, 13, and 16. This is your technical skill score. Second, sum the responses on items 2, 5, 8, 11, 14, and 17. This is your human skill score. Third, sum the responses on items 3, 6, 9, 12, 15, and 18. This is your conceptual skill score.

Total scores: Technical skill ____ Human skill ____ Conceptual skill ____

Scoring Interpretation

23–30 High Range

14–22 Moderate Range

6–13 Low Range

The scores you received on the skills inventory provide information about your leadership skills in three areas. By comparing the differences between your scores, you can determine where you have leadership strengths and where you have leadership weaknesses. Your scores also point toward the level of management for which you might be most suited.

APPENDIX 2. Interview questions- Employee6

1. The first part of interview is to study on different kinds of Leadership styles. Please read each item carefully and think about how often is your Leader- the one who you are evaluating, engage in the described behavior. Indicate your response to each item by circling one of the five numbers to the right of each item.

Key: 1= Never

2= Seldom

3= Occasionally

4= Often

5= Always

| | 1 | 2 | 3 | 4 | 5 |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 1. Tells group members what they are supposed to do. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Acts friendly with members of the group. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Set standards of performance for group members. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Helps others in the group feel comfortable. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Makes suggestions about how to solve the problems. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Responds favorably to suggestions made by others. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Makes his or her perspective clear to others. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. Treats others fairly. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. Develops a plan of action for the group. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. Behaves in a predictable manner toward group members. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 11. Defines role responsibilities for each group members. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 12. Communicates actively with group members. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 13. Clarifies his or her own roles within the group. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 14. Shows concern for the well- being of others. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 15. Provides a plan for how the work is to be done. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 16. Shows flexibility in making decisions. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 17. Provides criteria for what is expected of the group. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 18. Discloses thoughts and feelings to group members. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 19. Encourages group members to do high- quality work. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 20. Helps group members get along with each other. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

2. The second part of survey is about studying on how you measure Culture dimensions on your leader- the one you are evaluating, in international working environment. Please read the items carefully, indicate your response to each item by circling one of the five numbers to the right of each item.

Key: 1= *Never* 2= *Seldom* 3= *Occasionally* 4= *Often* 5= *Always*

- | | | | | | |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 1. He/ she always show charisma by succeeds in achieving the goals but not power status. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Always considered and attempt to integrate into cultural differences. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Gives direct guidance on how should the assignment be done. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Encourages employees to accomplish task their own way. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Makes decisions based on employees' comment, feedback and contribution. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Has different culture of leading which employees find hard to follow. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Makes employee feel motivated. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. Has a clear certain distance to employees. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. Gives rewards for employees who helped achieve goal. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. Tends to stay with same employees instead of changing and alternative. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 11. Makes employees stressful. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 12. Fascinates in creating social activities to harmonize the organization. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |