



Profiling the Chinese manager: exploring dimensions that relate to leadership

Profiling the
Chinese manager

359

Christopher Selvarajah

*Faculty of Business and Enterprise, Swinburne University, Hawthorn,
Australia, and*

Denny Meyer

Faculty of Life and Social Sciences, Swinburne University, Hawthorn, Australia

Received July 2007
Revised November 2007
Accepted November 2007

Abstract

Purpose – This paper explores the leadership profile of managers in China and in so doing identifies demographics factors that shape perceptions of what makes an excellent Chinese leader.

Design/methodology/approach – Summated scales for the importance of Excellent Leader (EL), Personal Qualities (PQ), Managerial Behaviour (MB), Organisational Demands (OD) and Environmental Influences (EI) were developed using most of the items categorised by Selvarajah *et al.* and several other items rated highly in this study. A structural model was constructed to explain the relationship in excellence in leadership.

Findings – The structural model confirmed that managerial behaviour was the most important construct determining leadership in China and that even with the changes in the political and social systems in the last 60 years, the Chinese belief in Confucianism is highly valued.

Practical implications – China is undergoing dramatic changes and understanding China within a changing cultural context is important to international participants entering the country.

Originality/value – This paper contextualises leadership within societal-cultural change

Keywords Leadership, Business excellence, China, Interpersonal skills, Managerialism

Paper type Research paper

The purpose of this study, given the magnitude of political, economic and cultural changes that have taken place in the last century in China, is to ascertain whether there are generational differences of “leadership excellence” in the perceptions of managers and to develop a behavioural framework for interpreting leadership excellence in China.

The term “excellence” is used here in its standard definition of surpassing others in accomplishment or achievement (Taormina and Selvarajah, 2005). In this paper, excellence is examined in terms of the behaviours used by someone in a leadership position, rather than in terms of personal traits or characteristics. This perspective also allows an individual’s performance to be viewed from a number of behavioural dimensions. In this paper four such dimensions are seen to be the basis through which excellence is reported. A focus on behaviours, which can be adopted by someone in a leadership position (rather than a focus on personality traits, which are difficult to adopt), allows any leader to achieve excellence, whether he or she uses a charismatic, transactional, transformational, or any other leadership style.



Leadership, though studied extensively in the western world, is seen as an enigma (Prince, 2005) or an elusive concept (Taormina and Selvarajah, 2005). In eastern cultures, especially those in Asia, empirical studies of leadership perceptions are comparatively few, and are still studied from a western understanding of what leadership is (Pittinsky and Zhu, 2005). With the re-entry of China into the international economy since the late 1970s, there has been growing interest in the leadership and management in China (Wang, 2003; Ling *et al.*, 2000; Ling, 1989; James, 1989; Hofstede and Bond, 1988).

Despite the enormous interest in leadership studies and the growing number of studies, we have not come any closer to understanding what the concept means. According to Prince (2005), this could be due to leadership being rooted in a cultural framework and being theological in origin and leadership being based on hierarchy and control. Throughout this paper, culture is defined as the attitudes, values, beliefs and behaviours shared by a particular group of people, (see for example Adler, 2002; Smircich, 1983). This definition integrates the previously diverse conceptions of culture into a construct that allows culture to be examined at various levels, including the organizational, ethnic and societal group levels. This definition is also useful because it includes values, i.e. those principles, standards or qualities considered to be important or desirable in any culture. Therefore, this concept of culture is particularly relevant to the study of leadership behaviours that may be influenced by generational differences since values and behaviours are essential components of the definition of culture.

In recent years a number of studies (e.g. Wang, 2003; Ling *et al.*, 2000; Ralston *et al.*, 1999; Boisot and Child, 1996; Ralston *et al.*, 1996; Redding, 1990; Yang, 1988) have looked at establishing a theoretical foundation of Chinese management theory. Given the interest in Confucian traditions and collectivist values and the size of the Chinese economy, China is of particular interest to international researchers. In this pursuit, Ralston *et al.* (1999) completed an exploratory study of generational shifts in work values in China. The study looked at the values of the new generation of managers compared to the older managers who had their formative years in the communist era. The findings profiled the emergent new generation of Chinese managers as being more individualistic, less collectivist and less committed to Confucian philosophy than their earlier counterparts. The study highlights a tendency towards individualism similar to western managers. Given this convergence, will China in time forego its Confucian traditions and collectivist values?

Given that the search for an appropriate theory is at a formative stage (Ralston *et al.*, 1999; Stewart, 1994), the focus of this research is from the implicit contextual theory perspective, exploring cultural values as providing the dimensions for the conceptual structure of leadership (Church *et al.*, 2003; Epitropaki and Martin, 2004; Offermann *et al.*, 1994). This approach assumes the existence of a conceptual structure regarding the definition of a leader and how the leader is perceived. Researchers such as House *et al.* (2002), Bryman (1987) and Hofstede (1980a,b) have generalised implicit leadership theory by providing cultural explanations of leadership behaviour.

The cultural values in this research are explained using the four dimensions adopted from Selvarajah *et al.* (1995) in their study of leadership in Asia. These four dimensions of managerial behaviour, personal qualities, organisational demands and environmental influences are deemed to impact on leadership excellence as illustrated and summarised in Figure 1. Based on this work, scales for perspectives of excellent



Notes:

Personal Qualities – personal values, skills, attitudes, behaviour and qualities of an individual. It emphasises morality, religion, inter-personal relationships and communication

Managerial Behaviour – person’s nature, values, attitudes, actions and styles when performing managerial duties. It emphasises persuasive powers

Organizational Demands – the way a manager responds to the goals, objectives, structures and issues in an organisation. It emphasises the importance of organisational prosperity

Environmental Influences – external factors that influence the success of the entire organisation. It emphasises the importance of scanning and evaluating the external environment for opportunities

Source: Adapted from Selvarajah *et al.* (1995)

Figure 1. Conceptual framework for the study of excellence in leadership

leader, organisational demands, personal qualities, managerial behaviour and environmental influences have been constructed for each of these constructs using the statements provided in Tables I-V.

On a conservative measure, the cultural heritage of the Chinese extends at least 2,500 years. This paper explores some of the effects of this history on the importance of the above four leadership dimensions in current day China. China, predominantly seen as a mono-cultural country, has over centuries absorbed influences from the west such as Buddhism from India, Christianity from Europe and Islam from the Middle East. In addition it has spawned its own philosophies such as Confucianism and Taoism. The derived intrinsic behaviour has been overlaid by western influences during periods of engagement and by feudal codes of behaviour introduced by generations of imperialistic warlords. In the last 60 years China has tried to shed its past, or at least the negative aspects of its past as viewed by the new communist regime which took control of China in 1949. China’s experiment with socialism advocated the purge of western influence and the re-evaluation of Chinese behaviour, including spirituality,

Table I.
Statements to identify the excellent leader (EL)

Statement	Beta coefficients	Mean	Std dev
1. Give recognition for good work	0.64	3.96	0.89
2. Have a strategic vision for the organisation	0.61	3.99	0.85
3. Create a sense of purpose and enthusiasm in the workplace	0.58	4.12	0.83
4. Develop strategies to gain competitive edge in the industry	0.52	3.58	1.07
5. Continue to learn how to improve performance	0.52	4.10	0.86
6. Have confidence when dealing with work and with people	0.51	3.68	1.05
7. Motivate employees	0.49	3.74	0.89
8. Be honest	0.47	4.37	0.79

Notes: Cronbach's alpha = 0.764, RMSEA = 0.034, GFI = 0.987, CMIN/DF = 1.756

Table II.
Characteristics in the environmental influence (EI) dimension

Statement	Beta coefficients	Mean	Std dev
1. Check constantly for problems and opportunities	0.64	4.19	0.80
2. Use economic indicators for planning purposes	0.63	4.05	0.85
3. Study laws and regulations which may have an impact on work	0.61	4.09	0.87
4. Constantly evaluate emerging technologies	0.59	4.37	0.86
5. Foster an international perspective in the organisation	0.58	4.35	0.79
6. Be responsive to political realities in the environment	0.56	4.07	0.87
7. Have a multi-cultural orientation and approach	0.52	3.64	1.01
8. Identify social trends which may have an impact on work	0.51	3.69	0.95

Notes: Cronbach's alpha = 0.80, RMSEA = 0.051, GFI = 0.979, CMIN/DF = 2.756

and customary behaviour such as superstitions and taboos which were seen to prevent economic and human progress. Under the Great Cultural Revolution, there was an attempt to supplant Confucian ideals with Maoist/Leninist communist doctrine, with violent purges against the educated and the denigration of western knowledge. The period of the Great Cultural Revolution, 1966 to 1976, was epitomised by chaos and general poverty (Li, 2003). The social reforms initiated by Deng Xiaoping in 1977 saw the movement back to the acceptance of Confucian values and trade with the west (Pittinsky and Zhu, 2005; Lin, 1995; James, 1989). Opening of China to trade with the West, was acknowledged by Deng (1984) as also opening the doors to western influence. Many see China's test of its changing political philosophy towards modernity in the context of the Tiananmen incident in 1992, when the new generation (mainly students) were demanding speedier reforms (Ralston *et al.*, 1995) at the time when China, unlike Russia, had embarked on a "controlled" transition from communism to the modernisation of the economy. In this environment the environmental influences dimension of an excellent leader, described in Tables I-V, is of particular interest.

To develop the Chinese profile, studies, such as Ma (2006); Curtis and Lu (2004); Lu *et al.* (2003); Wang and Schneider (2003); Littrel (2002); Wang and Chen (2002); Wang (2003); Ralston *et al.* (1999); Boisot and Child (1996); Ralston *et al.* (1996); Redding (1990); and Yang (1988), which established individualism, collectivism and

Statement	Beta coefficients	Mean	Std dev
1. Use initiative and take risks	0.59	4.26	0.79
2. Make decisions without depending too much on others	0.59	3.93	0.87
3. Be objective when dealing with work conflicts	0.58	4.11	0.83
4. Delegate	0.57	3.65	0.88
5. Be strict in judging the competence of others	0.54	3.43	0.98
6. Trust those to whom work is delegated	0.53	4.16	0.84
7. Think about the specific details of any particular problem	0.53	4.44	0.82
8. Be logical when solving problems	0.52	3.86	0.97
9. Consider suggestions made by subordinates	0.52	3.67	0.98
10. Try different approaches to management	0.52	4.06	0.90
11. Keep up to date on management literature	0.51	3.75	0.97
12. Be formal when dealing with employees at work	0.50	4.37	0.78
13. Focus on the task in hand	0.47	4.08	0.90
14. Make work decisions quickly	0.44	3.78	0.99
15. Tell subordinates what to do and how to do it	0.43	3.40	0.99
16. Be consistent in making decisions	0.41	3.82	0.98
17. Select work wisely to avoid overload	0.39	3.46	1.10
18. Allow subordinates authority and autonomy	0.36	3.68	1.11
19. Listen to and understand the problems of others	0.30	2.73	1.13
20. Make decisions earlier rather than later	0.17	2.95	1.25

Notes: Cronbach's alpha = 0.845, RMSEA = 0.054, GFI = 0.931, CMIN/DF = 2.954

Table III.
Characteristics in the managerial behaviour (MB) dimension

Statement	Beta coefficients	Mean	Std dev
1. Support decisions made jointly by others	0.63	4.19	0.79
2. Sell the professional or corporate image to the public	0.62	4.20	0.85
3. Act as a member of the team	0.55	4.41	0.81
4. Ignore personal morality in the interest of the organisation	0.53	4.20	0.85
5. Give priority to long-term goals	0.50	3.92	0.92
6. Focus on maximising productivity	0.41	3.65	1.02
7. Adapt to changing working conditions	0.40	3.71	0.91
8. Share power	0.39	3.67	0.94
9. Adjust organisational structures and rules to the realities of practice	0.33	4.09	0.96

Notes: Cronbach's alpha = 0.73, RMSEA = 0.051, GFI = 0.931, CMIN/DF = 2.954

Table IV.
Characteristics in the organisational demands (OD) dimension

Confucianism as important dimensions of societal value structures in China, are used. The individualism-collectivism continuum has been used widely to explain value differences across cultures (see for example Osborn *et al.*, 2002; Ralston *et al.*, 1999; Yang and Bond, 1990). Individualism is defined as "a self-orientation that emphasises self-sufficiency and control with value being given to individual accomplishments" (Morris *et al.*, 1994, cited in Ralston *et al.*, 1999, p. 417). Individualism relates most strongly to the managerial behaviour dimension for an excellent leader (see Tables I-V). Collectivism is defined as "the subordination of personal goals to the goals of the

Statement	Beta coefficients	Mean	Std dev
1. Follow the heart – not the head – in compassionate matters	0.72	4.34	0.85
2. Be practical	0.66	4.42	0.78
3. Deal calmly in tense situations	0.63	4.21	0.81
4. Return favours	0.63	4.30	0.80
5. Be dependable and trustworthy	0.61	4.41	0.75
6. Work long hours, even at home	0.60	4.46	0.75
7. Write clearly and concisely	0.57	4.38	0.82
8. Be an initiator not a follower	0.57	4.45	0.83
9. Treat most people as if they are trustworthy and honest	0.55	4.02	0.87
10. Be consistent in dealing with people	0.51	4.50	0.80
11. Respect the self-esteem of others	0.51	3.88	0.84
12. Have a sense of humour	0.50	3.94	0.87
13. Behave in accordance with his or her religious beliefs	0.50	3.82	0.93
14. Accept responsibility for mistakes	0.49	4.33	0.87
15. Speak clearly and concisely	0.48	3.80	0.91
16. Listen to the advice of others	0.48	3.71	1.03
17. Be informal when with employees outside work	0.44	4.03	0.91
18. Follow what is morally right – not what is right for self or organisation	0.40	3.89	0.94
19. Accept that others will make mistakes	0.39	3.88	0.95

Notes: Cronbach's alpha = 0.88, RMSEA = 0.052, GFI = 0.933, CMIN/DF = 2.846

Table V.
Characteristics in the
personal qualities (PQ)
dimension

(work) group with an emphasis on sharing and group harmony” (Morris *et al.*, 1994 cited in Ralston *et al.*, 1999, p. 417). Tables I-V show that the organisational demands dimension relates most strongly to collectivism. Finally, Confucianism is an authoritarian system, which generally emphasises the inherent virtues of respect for tradition and ordered social structures based on status (Curtis and Lu, 2004). The Chinese dimension of “human-heartedness” is seen to correlate negatively with masculinity and is characterised by values of kindness, courtesy and social consciousness (Wilkinson, 1996). Confucian values relate most strongly to the personal qualities dimension of an excellent leader, as illustrated in Tables I-V.

Based on the above rationalisation the first hypothesis to be tested is:

H1. Chinese managers value a leader who exhibits all four of the above dimensions: Environmental influences, managerial behaviour, organisational demands and personal qualities.

Schneider and Barsoux (1997) are of the view that to fully understand the behaviour of business leaders of a national culture, one needs to consider important within-culture differences. One of these differences can be manifested in managerial values across generations (Pittinsky and Zhu, 2005; Curtis and Lu, 2004; Egri and Ralston, 2004; Ralston *et al.*, 1999). Inglehart and Carballo (1997) and Terpstra (1978) have purported that the most important factor that differentiates value perspectives between generations is societal objectives. In China societal objectives have had planned shifts as indicated above. The respondents in this study cover a number of generations, having been born and having lived in China and experienced some but not necessarily

all of the different transformational stages there in the last 60 years. The managers who grew up during the communist era and those who grew up in the social reform era are expected to exhibit different perceptions of leadership excellence (Pittinsky and Zhu, 2005; Curtis and Lu, 2004; Littrell, 2002). In recognition of this value shift, the following hypothesis is forwarded for testing.

- H2.* Societal objectives influence leadership behaviour in China in that older managers who have lived most of their lives under communism attach more importance to the dimension of organisational demands than younger managers.

In the last 20 years, with the liberalisation of the Chinese economy, organisations such as the State Grid Corporation have prepared for open competition in electricity supply in a deregulated environment. In this pursuit, China is looking at developing managers with leadership and management qualities found in liberal western education (Curtis and Lu, 2004). Ralston *et al.* (1993a,b) explain in their study that though the Chinese adopt western values, they do not forsake their Confucian ideals. This is also supported in the study by Huo and Randall (1991) in which the importance of power differentials in the Confucian social codes is evident in China's scores on Hofstede's (1980a) Power–Distance Index (the PDI). This sentiment is also echoed by Lu *et al.* (2003), who state that in Chinese organisations, authoritarian managerial culture reflecting Confucian philosophies still exists. However, given the societal changes experienced in China, the values developed during those periods will influence how leadership is perceived. In particular, it is expected that personal qualities will be a more important leadership dimension in the case of older managers who were denied exposure to western values during the communist era.

Taking into account the lack of impact of western influence on China during the pre-reform period, the following hypothesis is forwarded for testing.

- H3.* Leadership values relating to the personal qualities dimension are more important for older managers.

It is against this historical backdrop that we analyse leadership perceptions in modern day China. The magnitude of the recent political and economic changes in China makes this a particularly interesting study. It is also expected that number years of experience in the work force will significantly impact on attitudes to leadership. In particular, it is expected that young managers, who are new to the work force within the last five years and are therefore exposed to China's modernisation efforts, especially with China's "value shift" as a condition of its entry into the World Trade Organisation, will consider a strong dominant leadership less important than will managers who have been in the workforce for longer and grown up during an era of bureaucratic centralisation. This cultural argument (as opposed to a seniority argument) is expected to manifest itself in lower importance ratings for the dimensions used to identify an excellent leader, suggesting the following hypothesis:

- H4.* The new generation managers with less than five years' experience, who have been exposed to the modernisation efforts of China and who have not been part of the dominant leadership styles of the socialist era, will attach lower importance to the dimensions of environmental influences, managerial behaviour, organisational demands and personal qualities than other managers.

The size of the organisation is also expected to have a significant impact, with managers from smaller organisations, which are more exposed to the recent changes, attaching less importance to leadership than larger organisations exhibiting centralisation tendencies. This suggests the hypothesis:

- H5.* Managers from smaller organisations will attach less importance to the dimensions of environmental influences, managerial behaviour, organisational demands and personal qualities than other managers.

Finally, it is expected that due to the influence of communism there will be no gender differences, with women and men in a socialist economy attaching equal importance to leadership, and that under socialism differences between senior managers, middle managers and line supervisors will be minimal. This suggests the hypothesis:

- H6.* Men and women and managers of all seniority levels will attach similar levels of importance to the four dimensions used to identify an excellent leader in this study.

Research methodology

Selvarajah *et al.* (1995) developed 94 “excellence in leadership” value statements. Using Q-sort they placed the statements into four categories:

- (1) personal qualities (PQ);
- (2) managerial behaviour (MB);
- (3) organisational demands (OD); and
- (4) environmental influences (EI).

In addition they ranked the ten most important statements, creating the fifth category of excellent leader (EL). In the current study these items were included in a survey of 671 managers in Mainland China.

In this research a single industry, the electricity grid, was studied and this could have profound implications for interpreting the results. Any interpretation of the results should be done with this as a limitation.

The survey was carried out in the North China Electric Power University in Beijing, where MBA students, who were executives in the various affiliated companies of the State Grid Corporation, recruited managers to respond to the leadership questionnaire. The managers were also employees of the State Grid Corporation located in the different regions of China (Beijing, Chengdu, Dalian, Guangzhou, Lanzhou and Shanghai). The State Grid Corporation is a conglomeration of numerous individual state-owned companies with less than 50 employees and companies with more than 1,000 employees. The questionnaire in English was back-translated to Mandarin and sent to 1,200 managers identified by the executives; 671 useable questionnaires were returned, giving a 56 percent effective return rate.

The managers were asked to rank the importance of these 94 items on a scale of one to five, with five indicating very important and one indicating very unimportant.

In this paper we analyse this data and develop summated scales for the importance of excellent leader, personal qualities, managerial behaviour, organisational demands and environmental influences, using most of the items categorised by Selvarajah *et al.*

(1995) and several other items rated highly in this study. As shown in Tables I-V, confirmatory factor analysis is used to check the internal validity of the scales while the reliability of the scales is assessed using Cronbach's alpha measure. The full measurement model is assessed for discriminant validity and an appropriate structural model is developed in order to test the first hypothesis. Models which produce a root mean squared error of approximation (RMSEA) of less than 0.08, a goodness of fit statistic (GFI) of above 0.90 and a normed chi-squared statistic (CMIN/DF) of between one and three are regarded as valid (Arbuckle and Wothke, 1999). Scales with a Cronbach's alpha of above 0.70 are regarded as reasonably reliable with values above 0.80 indicating good reliability. The remaining hypotheses are tested by using multivariate and univariate analysis of variance to test for demographic effects on scale levels. SPSS v14 and AMOS v6 are the software packages used for the analyses.

Findings

Of the sample, 78.1 percent of the respondents were men and 21.9 percent were women. In this research a single industry was chosen: the State Grid Corporation, which has numerous affiliated companies throughout China. The affiliates vary in size, with the larger companies having over 1,000 workers, represented by 36.7 percent of the sample, and only 11.2 percent of the managers coming from small companies employing fewer than 50 employees. Middle and line managers both comprise 41 percent of the sample with the rest of the sample composed of senior managers. Younger managers were well represented in the sample, with people under 35 comprising 29 percent of the sample, and people under 41 comprising 55 percent of the sample. Managers over 50 comprised only 12 percent of the sample. Only five percent of the managers surveyed had at most five years of experience, while 18 percent had more than 26 years of work experience.

Tables I-V show the items chosen to represent the excellent leader construct and its dimensions: environmental influences, managerial behaviour, organisational demands and personal qualities.

Excellent leader (EL)

As shown in Tables I-V, confirmatory factor analysis suggests that the most important excellent leader item is "Give recognition for good work". This agrees with Petzall *et al.* (1991, p. 143) who define leadership as "a process of social interaction between the leader and his or her subordinates, in which the leader seeks to influence his or her subordinates to achieve the objectives of the organisation". The mean and standard deviation for the importance ratings obtained in this survey are also shown in Tables I-V. The mean is indicative of the average importance of a statement, while the standard deviation measures the degree of variability in the responses.

Clearly, "Be honest" has the highest importance rating for excellent leader, suggesting that Chinese managers enshrine honesty as the most valued leadership quality. Kouzes and Posner (2002) and Selvarajah *et al.* (1995) support this response. "Create a sense of purpose and enthusiasm in the workplace" and "Continue to learn how to improve performance" were also ranked highly. Standard deviations are highest for "Develop strategies to gain competitive edge in the industry" and "Have confidence when dealing with work and with people", suggesting that there is some disagreement in regard to the importance of these items. It was found that the importance attached to these items was lower for people with at most five years of

experience ($n = 33$, mean = 3.15 and 3.18 respectively), but rose as years of experience increased above 25 years ($n = 122$, mean = 3.81 and 3.82 respectively). The importance of “Developing strategies to gain competitive edge in the industry” was also influenced by organisation size, with managers from organisations numbering less than 50 rating the importance lower ($n = 75$, mean = 3.25) and organisations with more than 500 employees rating the importance higher ($n = 322$, mean = 3.68).

Environmental influences (EI)

Environmental influences are external factors that influence the success of the entire organisation, such as economics, politics, and cultural and legal factors. The beta coefficients in Table II show that the most reliable statements for identifying leaders in the Environmental Influences dimension are “Check consistently for problems and opportunities” and “Use economic indicators for planning purposes”. However, “Constantly evaluate emerging technologies” and “Foster an international perspective in the organisation” are considered to be the most important items, having the highest means. Standard deviations are higher for the last two statements, with years of work experience again explaining much of this variation. The importance ratings for these two items increased from 3.27 to 3.80 for “Have a multi-cultural orientation and approach”, and from 3.42 to 3.88 for “Identify social trends which may have an impact on work”, as years of work experience increased from at most five years to more than 25 years.

Managerial behaviour (MB)

Managerial behaviour refers to a person’s nature, values, attitudes, actions and styles when performing the managerial duties, clearly emphasising the individualistic nature of this dimension. As shown by the beta coefficients in Table III, the statements “Use initiative and take risks” and “Make decisions without depending too much on others” are the most reliable predictors of excellence in managerial behaviour, but “Think about the specific details of any particular problem” has the highest mean importance according to the mean values. There is some variation in the standard deviations. In particular, the high standard deviation for “Make decisions earlier rather than later” indicates large response variation. Gender appears to affect responses to this statement, with men considering this more important ($n = 524$, mean = 3.05) than women ($n = 147$, mean = 2.58).

Organisational demands (OD)

Organisational demands relates to the way a manager responds to the goals, objectives, structures and issues in an organisation, considering the importance of collectivism. As shown in Table IV the most reliable statement for identifying organisational excellence is “Support decisions made jointly by others”, while “Act as a member of a team” has a slightly higher mean and is therefore judged to be particularly important.

Personal qualities (PQ)

Personal qualities refers to the personal values, skills, attitudes, behaviour and qualities of an individual, which in China relate to confucian values. Table V highlights

personal values such as morality, good communication, emotional maturity and trustworthiness as requirements of managers to be excellent leaders.

The most reliable indicators of excellence in personal qualities were “Follow the heart – not the head – in compassionate matters”. Several of the statements, namely “Be practical”, “Be dependable and trustworthy”, “Work long hours, even at home”, “Be an initiator not a follower” and “Be consistent in dealing with people” scored above 4.4. The size of the organisation had an influence in this case, with managers from organisations with less than 50 employees regarding this statement to be of less importance ($n = 75$, mean = 3.21) than managers from larger organisations ($n = 596$, mean = 3.77).

A full measurement model was fitted for the above constructs, with modification indices showing that all statements were loading strongly on only the correct construct. Summated scales were calculated for each construct. The structural model shown in Figure 2 explains 74 percent of the variation in the excellent leader perceptions. All the links shown in this model were significant, showing that perceptions of an excellent leader in China can be well described in terms of the dimensions environmental influences, managerial behaviour, organisational demands and personal qualities. This provides strong support for the first hypothesis.

Generally, the figure suggests that the Chinese value team-orientation and joint decision-making, and support the organisational image when a manager responds to goals, objectives, structures and issues in the organisation (organisational demands). When it comes to dealing with external factors that influence the success of the organisation, the Chinese manager is expected to be on the look out for problems and opportunities, using economic indicators and awareness of the law governing the business operations (environmental influences). Compassion, practicality and calmness of the individual (personal qualities) are mediating influences among environmental

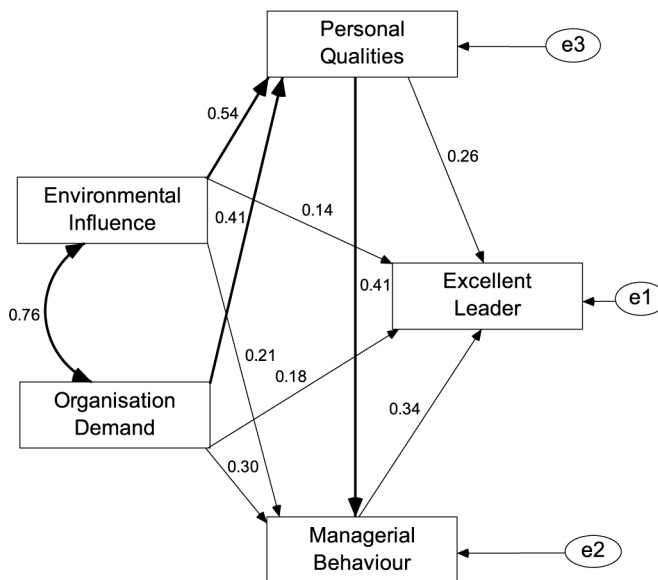


Figure 2. Regression model with beta coefficients and correlations at mid-points

influences, organisational demands, managerial behaviour and excellent leader. The emphasis is on the individual whose personality make-up is viewed as important for being a good manager and an effective leader. The Chinese see a good manager as a person who takes initiatives and risks, is decisive, and is objective (managerial behaviour). The excellent leader in the Chinese context, using Hofstede's terminology, is thus seen as a person who is masculine from a managerial behaviour point of view and feminine from a personal behaviour point of view.

The mediation relationships shown in Figure 2 require further explanation but this has been left for a future paper.

Comparison of demographic groups

MANOVA tests showed significant differences in the demographic groups for all the scales. However, there were no significant interaction effects and, as expected by *H6*, there were no significant gender or seniority differences. The large number of ANOVA tests (25) performed (see Table VI) suggests that only p-values below 0.002 (i.e. 0.05/25) should be regarded as significant. This strategy, a Bonferroni adjustment, ensures that the overall probability of an erroneously significant result will be held at about five percent. Tables VI and VII show significant differences between age groups and work experience for some of the scales, with managers over 50 tending to rate personal qualities and organisation demands significantly more highly than other managers, providing support for the second and third hypotheses. Interestingly there were no significant age differences for environmental influences or managerial behaviour, suggesting that the recent opening of the Chinese economy is viewed as equally important by all age groups.

In support of the fourth hypothesis, for all the scales managers who had at most five years' experience gave the lowest mean importance ratings, while managers with 25 or more years' experience gave the highest mean importance ratings. The lack of significance in the seniority work experience interaction suggests that the low responses of managers who are new to the workforce are not linked to seniority. An analysis only for managers with lowest seniority (the line managers) confirmed this result.

For all the scales except environmental influences, the small affiliated companies in the State Grid Corporation (i.e. with fewer than 50 employees) gave a significantly lower mean importance rating than the larger affiliated companies, as suggested by the fifth hypothesis. However, all the MANOVA effect sizes were small. The effect sizes for

Table VI.
Significance of differences between demographic groups (*p*-values)

	Excellent leader	Management behaviour	Personal qualities	Environmental influence	Organisational demand	Manova <i>p</i> -value	Effect size η^2
Age	0.003	0.035	0.002	0.120	0.003	0.018	0.013
Gender	0.581	0.146	0.718	0.763	0.810	0.156	0.012
Organisation size	0.063	0.009	0.001	0.012	0.001	0.021	0.013
Seniority	0.271	0.046	0.011	0.230	0.389	0.006	0.019
Work experience	0.000	0.001	0.000	0.004	0.000	0.000	0.019

Variable	Categories	Excellent leader	Management behaviour	Personal qualities	Environmental influences	Organisational demands
<i>Age</i>	<35	3.84	3.73	4.08	4.00	3.94
	35-40	3.93	3.76	4.11	4.06	3.97
	41-45	3.97	3.80	4.17	4.07	4.05
	46-50	3.99	3.77	4.16	4.04	3.97
	50 +	4.12	3.93	4.34	4.20	4.19
<i>Organisation size</i>	<50	3.78	3.59	3.93	3.84	3.89
	51-100	3.96	3.80	4.18	4.08	3.99
	101-500	3.94	3.79	4.16	4.07	4.00
	501-1,000	4.03	3.82	4.20	4.11	4.03
	1,000 +	3.96	3.81	4.17	4.08	4.07
<i>Work experience</i>	0-5	3.63	3.47	3.82	3.78	3.65
	6-10	3.84	3.73	4.09	4.00	3.95
	11-15	3.86	3.77	4.08	4.03	3.98
	16-20	3.98	3.80	4.18	4.05	4.02
	21-25	4.03	3.80	4.18	4.10	4.03
	26 +	4.11	3.89	4.31	4.19	4.14
	Overall	3.94	3.78	4.15	4.06	4.00

Table VII.
Mean values for demographic groups

the resulting univariate ANOVA analyses were also less than .06 in magnitude, suggesting that, although there are significant differences associated with age, work experience and organisational size, these differences are not dramatic. In other words Chinese perceptions of an excellent leader are generally similar.

The large sample size results in significant differences between the overall means for each scale at the bottom of Table VII; however, it is really only the difference between personal qualities and managerial behaviour that can be considered large in real terms. The results indicate that all managers regard excellence in leadership as important (mean = 3.94 on a 1-5 scale), with personal qualities being the most important aspect of leadership (mean = 4.15) and managerial behaviour being the least important aspect of leadership (mean = 3.78). This finding is quite similar to Wang and Chen (2002), who reported that in the Chinese context, the relationship-based competencies showed a diffusion effect across all other competencies, indicating a dominance of the Chinese culture.

Discussion

Reliable scales were constructed for the perceptions of leadership excellence, personal qualities, managerial behaviour, organisational demands and environmental influences for 671 managers from Mainland China. Overall ratings are high for all these constructs, confirming their importance. A structural model relating these four dimensions to perceptions of an excellent leader confirmed that it is appropriate to use these dimensions for this purpose.

The most valid items for identifying an excellent leader are "Give recognition for good work", "Have strategic vision for the organisation", and "Create a sense of purpose and enthusiasm in the work place". These values are closely associated with Confucian values and long-term orientation (Hofstede and Bond, 1988). The values are based on respect, inclusiveness and the future. This clearly suggests that even with

changes in the political and social systems in the last 60 years, the Chinese belief in Confucianism is highly valued.

Demographic effects were tested for each of the constructs and significant differences were found. In particular, as expected in the fifth hypothesis, managers working in smaller affiliated companies in the State Grid Corporation tend to rate all the constructs pertaining to excellence in leadership relatively low. In addition, as expected by the fourth hypothesis, young managers with little work experience tend to rate all these constructs lower, while managers with more experience rate them relatively more highly. Data manipulation involving only managers of low seniority (line managers) confirmed this result, suggesting that this is a cultural effect rather than a seniority effect. As expected by *H6* there are no significant gender differences or seniority differences.

The Chinese managers regard leadership excellence as very important, especially in regard to personal qualities. However, the results indicate a large difference between the views of the younger managers and the older managers, supporting the second, third and fourth hypotheses. In particular, those managers with little experience rate leadership as less important than managers with more experience. The older generation of Chinese managers (50+ years) consider personal qualities, organisational demands and managerial behaviour to be very important, whilst managers with at most five years experience attach less importance to these qualities.

This suggests that the cultural, political and economic changes that China has endured have resulted in small but significant generational differences. The oldest managers revere leadership more than other managers in terms of organisational demands, personal qualities and managerial behaviour. Managers employed by small companies with fewer than 50 workers also attach less importance to these dimensions of leadership excellence. However, 40 percent of managers employed by these companies are under 35 years of age, so this can also be explained in terms of China's recent economic and cultural development. This then suggests that with globalisation and influences from the West, the younger generations are tending to reflect managerial values that are not peculiar to the Chinese. Therefore, with economic growth and modernisation, there is a convergence tendency with the west. The speed of change to western approaches to management may, however, be slow, as evidenced in Taiwan, Hong Kong and Singapore where economic growth and modernisation have not brought about widespread changes to the Chinese cultural characteristics, such as harmony in working relationships (Silverthorne, 2005; Hempel and Chang, 2002)

Though the results show significant generational differences in regard to the importance given to scale in three of the four dimensions, a closer look at the responses provides significant support for the collectivist view as measured by organisational demands, and Confucian values as measured by personal qualities for all age groups. Environmental influences also scores highly, suggesting that there is acceptance of the policy to open the Chinese economy to international influences. Managerial behaviour was given the lowest importance score, suggesting that individualism is not fully accepted in the Chinese economy. This may be changing, however, especially among the younger generation of managers who are being exposed to western influences as China integrates further with the international economy. Offermann *et al.* (1994) found big differences between Chinese and western leadership. Since this article was published 13 years ago, there is some evidence of evolving leadership characteristics.

References

- Adler, N.J. (2002), *International Dimensions of Organizational Behavior*, South-Western/ Thomson Learning, Cincinnati, OH.
- Arbuckle, J.L. and Wothke, W. (1999), *AMOS 4.0 User's Guide*, Small Waters Corporation, Chicago, IL.
- Boisot, M. and Child, J. (1996), "From fiefs to clans and network capitalism: expanding China's emerging economic order", *Administrative Science Quarterly*, Vol. 41 No. 4, pp. 600-28.
- Bryman, A. (1987), "The generalizability of implicit leadership theory", *Journal of Social Psychology*, Vol. 127 No. 2, pp. 129-41.
- Church, A.T., Ortiz, F.A., Katigbak, M.S., Avdeyeva, T.V., Flores, J.J.V. and Reyes, J.I. (2003), "Measuring individual and cultural differences in implicit trait theories", *Journal of Personality and Social Psychology*, Vol. 85 No. 2, pp. 332-47.
- Curtis, S. and Lu, W. (2004), "The impact of Western education on future Chinese Asian managers", *Management Research News*, Vol. 27 No. 10, pp. 58-60.
- Deng, X. (1984), *Selected Works of Den Xiaoping (1975-1982)*, Foreign Languages Press, Beijing.
- Egri, C.P. and Ralston, D.A. (2004), "Generation cohorts and personal values: a comparison of China and the United States", *Organizational Science*, Vol. 15 No. 2, pp. 210-22.
- Epitropaki, O. and Martin, R. (2004), "Implicit leadership theories in applied settings: factor structure, generalizability, and stability over time", *Journal of Applied Psychology*, Vol. 89 No. 2, pp. 293-310.
- Hempel, P.S. and Chang, C.Y.D. (2002), "Reconciling traditional Chinese management with high-tech Taiwan", *Human Resources Management Journal*, Vol. 12 No. 1, pp. 77-95.
- Hofstede, G. (1980a), *Culture's Consequences: International Differences in Work-related Values*, Sage Publications, Newbury Park, CA.
- Hofstede, G. (1980b), "Leadership and organization: do american theories apply abroad?", *Organizational Dynamics*, Summer, pp. 42-63.
- Hofstede, G. and Bond, M.H. (1988), "The Confucian connection: from cultural roots to economic growth", *Organizational Dynamics*, Vol. 16 No. 4, pp. 4-21.
- House, R., Javidan, M., Hanges, P. and Dorfman, P. (2002), "Understanding cultures and implicit leadership theories across the globe: an introduction to project GLOBE", *Journal of World Business*, Vol. 37 No. 1, pp. 3-10.
- Huo, Y.P. and Randall, D.M. (1991), "Exploring subcultural differences in Hofstede's value survey: the case of the Chinese", *Asia Pacific Journal of Management*, Vol. 8 No. 2, pp. 159-74.
- Inglehart, R. and Carballo, M. (1997), "Does Latin America exist (and is there a Confucian culture?): a global analysis of cross-cultural differences", *Political Science and Politics*, Vol. 30 No. 1, pp. 34-46.
- James, C.V. (1989), *Information China: The Comprehensive and Authoritative Reference of New China*, Pergamon Press, New York, NY.
- Kouzes, J.M. and Posner, B.Z. (2002), *The Leadership Challenge*, Jossey-Bass, San Francisco, CA.
- Li, C. (2003), *Mao's Last Dancer*, Penguin-Viking, Melbourne.
- Lin, R.Y. (1995), "How individualism-collectivism influences Asian and US managers in choosing their career goals and tactics", *Journal of Asian Business*, Vol. 11 No. 3, pp. 97-116.
- Ling, W.Q. (1989), "Pattern of leadership behavior assessment in China", *Psychologia*, Vol. 32 No. 2, pp. 129-34.

- Ling, W., Chia, R.C. and Fang, L. (2000), "The Chinese implicit leadership theory", *Journal of Social Psychology*, Vol. 140 No. 6, pp. 729-39.
- Littrell, R.F. (2002), "Desirable leadership behaviours of multi-cultural managers in China", *Journal of Management Development*, Vol. 21 No. 1, pp. 5-74.
- Lu, L., Cooper, C.L., Kao, S.F. and Zhou, Y. (2003), "Work stress, control beliefs and well-being in Greater China", *Journal of Managerial Psychology*, Vol. 18 No. 6, pp. 479-510.
- Ma, Z. (2006), "Negotiating into China: the impact of individual perception on Chinese negotiation styles", *International Journal of Emerging Markets*, Vol. 1 No. 1, pp. 64-83.
- Morris, M.H., Davis, D.L. and Allen, J.W. (1994), "Fostering corporate entrepreneurship: cross-cultural comparisons of the importance of Individualism and Collectivism", *Journal of International Business Studies*, Vol. 25 No. 1, pp. 65-89.
- Offermann, L.R., Kennedy, J.K. and Wirtz, P.W. (1994), "Implicit leadership theories: content, structure, and generalizability", *Leadership Quarterly*, Vol. 5 No. 1, pp. 43-58.
- Osborn, R.N., Hunt, J.G. and Jauch, L.R. (2002), "Toward a contextual theory of leadership", *Leadership Quarterly*, Vol. 13 No. 6, pp. 797-837.
- Petzall, S., Selvarajah, C. and Willis, Q. (1991), *Management: A Behavioural Approach*, Longman Cheshire, Melbourne.
- Pittinsky, T.L. and Zhu, C. (2005), "Contemporary public leadership in China: a research review and consideration", *Leadership Quarterly*, Vol. 16 No. 6, pp. 921-39.
- Prince, L. (2005), "Eating the menu rather than the dinner: Tao and leadership", *Leadership*, Vol. 1 No. 1, pp. 105-26.
- Ralston, D.A., Egri, C.P., Stewart, S. and Terpstra, R.H. (1999), "Doing business in the 21st Century with the new generation of Chinese managers: a study of generational shifts in work values in China", *Journal of International Business Studies*, Vol. 30 No. 2, pp. 415-27.
- Ralston, D.A., Gustafson, D.J., Cheung, F. and Terpstra, R.H. (1993a), "Differences in managerial values: a study of US Hong Kong and PRC managers", *Journal of International Business Studies*, Vol. 24 No. 2, pp. 249-75.
- Ralston, D.A., Gustafson, D.J., Terpstra, R.H., Holt, D.H., Cheung, F. and Ribbens, B.A. (1993b), "The impact of managerial values on decision-making: a comparison of the United States and Hong Kong", *Asia Pacific Journal of Management*, Vol. 10 No. 1, pp. 21-38.
- Ralston, D.A., Gustafson, D.J., Terpstra, R.H. and Holt, D.H. (1995), "Pre-post Tiananmen Square: changing values of Chinese managers", *Asia Pacific Journal of Management*, Vol. 12 No. 1, pp. 1-20.
- Ralston, D.A., Yu, K.C., Wang, X., Terpstra, R.H. and He, W. (1996), "The cosmopolitan Chinese manager: finding of a study on managerial values across the six regions of China", *Journal of International Management*, Vol. 2, pp. 79-109.
- Redding, S.G. (1990), *The Spirit of Chinese Capitalism*, Walter de Gruyter, Berlin.
- Schneider, S. and Barsoux, J.L. (1997), *Managing Across Cultures*, Prentice Hall, New York, NY.
- Selvarajah, C., Daignan, P., Nuttman, C. and Suppiah, C. (1995), "In search of the Asian leader: an exploratory study of dimensions that relate to excellence in leadership", *Management International Review*, Vol. 35 No. 1, pp. 29-34.
- Silverthorne, C.P. (2005), *Organizational Psychology*, New York University Press, New York, NY.
- Smircich, L. (1983), "Concept of culture and organizational analysis", *Administrative Science Quarterly*, Vol. 28 No. 3, pp. 339-57.

-
- Stewart, S. (1994), "Introduction and overview", in Stewart, S. (Ed.), *Joint Venture in the People's Republic of China, Vol. 4 of Advances in Chinese Industrial Studies*, JAI Press, Greenwich, CT.
- Taromina, R.J. and Selvarajah, C. (2005), "Perceptions of leadership excellence in ASEAN nations", *Leadership*, Vol. 1 No. 3, pp. 299-322.
- Terpstra, V. (1978), *The Cultural Environment of International Business*, Southwestern, Cincinnati, OH.
- Wang, Z.M. (2003), "Managerial competency modelling and the development of organizational psychology: a Chinese approach", *International Journal of Psychology*, Vol. 38 No. 5, pp. 323-34.
- Wang, Z.M. and Chen, M.K. (2002), "Managerial competency modelling: a structural equations analysis", *Psychology Science*, Vol. 6, pp. 420-8.
- Wang, Z.M. and Schneider, B. (2003), "A longitudinal study of cross-cultural leadership team development in 40 Chinese local and joint venture companies", in Wang, Z.M. (Ed.), *China HR and OB Research Review*, The Shanghai People's Press, Shanghai.
- Wilkinson, B. (1996), "Culture, institutions and business in East Asia", *Organizational Studies*, Vol. 17 No. 3, pp. 421-48.
- Yang, K.S. and Bond, M.H. (1990), "Exploring implicit personality theories with indigenous or imported constructs: the Chinese case", *Journal of Personality and Social Psychology*, Vol. 58 No. 6, pp. 1087-95.
- Yang, K.S. (1988), "Will societal modernization eventually eliminate cross-cultural psychological differences?", in Bond, M.H. (Ed.), *The Cross-Cultural Challenge to Social Psychology*, Sage Publications, Newbury Park, CA.

Further reading

- Hofstede, G. and Bond, M.H. (1984), "Hofstede's cultural dimensions: an independent validation using Rokeach's value survey", *Journal of Cross-Cultural Psychology*, Vol. 15 No. 4, pp. 417-33.
- Triandis, H.C. (2004), "The many dimensions of culture", *Academy of Management Executive*, Vol. 18 No. 1, pp. 88-93.

Corresponding author

Christopher Selvarajah can be contacted at: cselvarajah@swin.edu.au