



# **GLOBAL or LOCAL: The Impact of Country Culture on Leadership Style in Europe**

**By Helen Peters and Robert Kabacoff**

Over the last several years we have seen the lowering of political and economic barriers between European countries. We have a European parliament, a common European currency, and a European Bank. Along with the increased sense of co-operation and interdependence, we have witnessed a growing cadre of European business men and women who, as part of multi-cultural teams, spend a good part of their lives traveling and working not only across Europe, but across the globe. Is there now a European leader? Does the shared working life style, together with the similar demands of leadership roles in an increasingly international business environment, overshadow cultural differences? Or is management and leadership behavior, even in a global economy, tied to country of origin and to the corporate cultures that have evolved from country specific values, educational systems, social norms, and economic perspectives?

## **THE CURRENT RESEARCH**

Management Research Group®, a firm specializing in the creation of behavioral assessment instruments used for individual and organizational development, has collected extensive data regarding leadership behavior across the globe. To help organizations and individuals to understand the impact of culture on leadership styles in Europe, MRG® compared the leadership behaviors of almost 4,000 individuals in management positions (from first line department supervisors to company presidents) in eight European

## **The LEADERSHIP MODEL**

The research described in this article is based on Management Research Group®'s leadership model. The model is comprised of twenty-two specific dimensions of leadership behavior that are measured against six essential functions of the leadership role:

### **CREATING A VISION**

- Conservative
- Innovative
- Technical
- Self
- Strategic

### **DEVELOPING FOLLOWERSHIP**

- Persuasive
- Outgoing
- Excitement
- Restraint

### **IMPLEMENTING THE VISION**

- Structuring
- Tactical
- Communication
- Delegation

### **FOLLOWING THROUGH**

- Control
- Feedback

### **ACHIEVING RESULTS**

- Management Focus
- Dominant
- Production

### **TEAM PLAYING**

- Co-operation
- Consensual
- Authority
- Empathy

Countries including Belgium, Denmark, France, Germany, the Republic of Ireland, the Netherlands, Sweden and the UK. The managers in this study work within a broad spectrum of government and industry sectors, including manufacturing, financial services, retail, high technology, and health care. Their average age is forty-two and they have an average of eleven years of management experience. They hold positions in functional areas ranging from IT to marketing and sales, engineering to customer service, finance to human resources. Of the European managers studied, 82% are men and 18% are women. Overall, the individuals studied are highly educated, with seventy per cent having a university or advanced degree.

The comparisons reported here are based on the self-assessments by the managers using MRG®'s Leadership Effectiveness Analysis™ Questionnaire. This questionnaire measures twenty-two different leadership practices which together define the managers' ability to develop a vision or direction for their organization, to get others to support that vision, to implement the vision in organizational terms, and to ensure that things happen according to the plan. Also measured were the managers' orientation toward achieving results (setting high standards of performance for themselves and their organizations), and their ability to work within a team environment.

When looking at aggregate data, as we did in this study, we can begin to paint a picture of a general leadership style or approach, and we can compare managers from different countries in relationship to each other based on those generalities. However, we need to use care in interpreting this data. First, it is based on self-assessments only. We do not know how accurate the managers' self-perceptions are, how others in the environment view these managers, or how effective their leadership styles actually are in achieving results in the real world. There are also differences in demographics for the various countries included in the study, which could be coloring the results of the data analysis. And finally, it should be remembered that this is aggregate data, and the behavior and style of any given manager in any given country will be distinctive. Leadership approaches are based on many factors beyond country culture, including personality, role, industry, and individual company values.

## THERE ARE VERY FEW SIMILARITIES IN LEADERSHIP BEHAVIOUR AMONG EUROPEAN MANAGERS

When managers from the eight countries studied were compared to each other, we found common ground on only three of the 22 dimensions measured:

- **Expertise:** their level of technical expertise and orientation toward detail and in-depth analyses. As a group they tend to put some emphasis on this aspect of the leadership role, but do not make it a focus of their approach.
- **Competitiveness:** how forceful they are, and the extent to which they will push to achieve results. European managers, in general, will tend to look for win-win solutions vs. behaving competitively.
- **Setting Standards of Excellence:** their ability to set expectations for themselves and their organizations and their willingness to work hard to achieve results. Once again, they spend some time on these types of activities, but it is not necessarily their top priority.

“Culture is an integrated system of learned behavior patterns that are characteristic of the members of any given society. It refers to the total way of life. It includes everything a group of people thinks, says, does and makes, its systems of attitudes and feelings. Culture is learned and transmitted from generation to generation.”

Robert Kohls, Survival Kit for Overseas Living

On 19 of the 22 leadership practices measured, we found differences between and among leaders from the eight European countries. To better understand the impact of culture on leadership style, let us take an in-depth look at those differences.

### THE SWEDISH DISTINCTION

The most unique management style among the Europeans belongs to the Swedish leaders. Of all the Europeans, the Swedish managers rate themselves as the most innovative. They feel comfortable in fast-changing environments, are willing to take risks and to consider new and untested approaches. This experimental attitude generally applies to the short term, with a focus on the present and a predisposition to trust their instincts rather than to analyze data. The Swedish are likely to spend the least amount of time thinking ahead and planning. Instead, they have a hands-on approach that allows them to act quickly, using practical strategies to accomplish pragmatic business goals and achieve immediate results. Because of their tendency to be in the middle of the

action, Swedish managers spend less time developing and utilizing guidelines and procedures or monitoring progress to goals in a systematic way.

In addition to their action orientation, the Swedish management approach has a distinctive people and team orientation. Swedish managers are friendly, meet people easily, and adapt an informal and easy, although somewhat reserved, style when interacting with others. They sincerely care about people, and work to develop close bonds and supportive relationships. They use a group oriented decision-making style that asks for input and advice from others, respects and values others' ideas, and uses the wisdom of the team in coming to conclusions. Tasks are accomplished by enlisting the talents of others to meet objectives, and in so doing, giving them sufficient autonomy to exercise their own judgment. For Swedish managers, helping others to develop is a key leadership task.

Swedish managers do not see themselves as particularly persuasive and tend not to try to sell their ideas. Rather, they let the ideas speak for themselves. The Swedish use language to describe rather than convince, and provide information on more of a "need to know" basis, as opposed to spending time ensuring that everyone is kept informed. Although they are reluctant to state clearly what they want and expect from others, Swedish managers quickly let others know what they think of them and whether the other person has met their needs and expectations.

### **SCANDINAVIAN DIFFERENCES**

In comparison, Danish managers have a style that is much less team oriented than the Swedish, and more strategic, analytical, and demanding. Danish leaders are apt to be independent thinkers, and although they are as involved in the day-to-day activities as Swedish managers, they take less for granted, setting deadlines and monitoring progress in a more formal fashion. Because of their more independent decision making style, they spend more time in selling their ideas and in communicating expectations. The Danish managers in our study are far more likely to enjoy being in positions of authority, taking charge and directing the efforts of others, than were any of the other European managers. They are also the most persistent and goal oriented and only moderately willing to accommodate

and help others. This more self-centered and task driven style of the Danes is softened by the ability to be seen as friendly and outgoing, and to quickly establish relationships.

### **CONTRASTING THE GERMANS AND THE FRENCH**

In recent years, Germany and France have forged a tumultuous alliance, first driving the introduction of the Euro, and now defining the political agenda for the European Union. The differences in approach are not surprising when we look at the differences in leadership style.

The German managers in this study rate themselves among the highest in Europe at setting direction for the future. They are second only to the Swedes in their ability to embrace new ideas and perspectives. But unlike the Swedish managers, these ideas are weighed against past practices, minimizing risk by building on knowledge gained through experience as well as current expertise. For Germans, plans are made after in-depth study, taking a long-range and broad approach, and thinking through the implications of decisions by projecting into the future.

Conversely, the French are the least likely of all European managers to reflect on the past. Although more highly educated, they are less technically oriented than the Germans tend to be, and more likely to take a short-term view. And, like the Swedish managers, the French tend to use instincts rather than analysis. The French personal style is outgoing, operating with a good deal of energy, intensity, and emotional expression. The French manager will be found in the center of the action. The Germans are more understated and subdued. Where the French manager would project warmth and acceptance, the German would tend to maintain distance and be more aloof. German managers display less energy, are more difficult to get to know, and have a more formal style that is based on role and responsibility within the hierarchy rather than personal magnetism. While the Germans are skeptical of those in authority, the French are loyal to the organization and will consult superiors and defer to people above them. Of all the European managers, the French are the least comfortable in the management position, placing less emphasis on taking charge and more emphasis on

seeking the advice of others, creating and valuing close supportive relationships. The Germans, on the other hand, are comfortable in a leadership role and are willing to take command, and may in fact have difficulty when required to function as a team member rather than a team leader.

### **BELGIUM AND THE NETHERLANDS: IN THE HEART OF THE EUROPEAN UNION**

The Dutch also have some distinct leadership characteristics. In comparison to other European leaders, the Dutch managers in our study are the most independent decision-makers. They are the least likely to accept rules and decisions of others in authority or to ask peers for their input and advice. They have only moderate concern for the needs of others, and are comfortable doing things on their own and making their own decisions. Managers from the Netherlands put the most emphasis of all European managers on selling their ideas and winning people over to their perspective. This selling job is assisted by a lot of personal energy, and the ability to transmit that enthusiasm to others. The Dutch leaders are the least organized and structured of all the managers studied, but are similar to other Europeans in terms of their personal involvement in the day-to-day aspects of the business, their ability to be pragmatic, communicate expectations, establish criteria for success, delegate responsibility, and monitor performance against plans.

“Self-awareness is the starting point for cultural awareness. To understand others you have to understand yourself - your value systems, what motivates you, what is your own culture.”

Richard Hill  
Author & Lecturer

In Belgium, home to the European Union, the managers are standard bearers for past practices, well aware of problems that have been faced before and the knowledge to avoid them in the future. They have the greatest respect for authority and loyalty to the organization and the greatest willingness to compromise and put the needs of the organization above their own personal objectives. And like the French, although for probably somewhat different reasons, the Belgian managers showed some discomfort in the leadership role. Although reasonably outgoing by European standards, the Belgian managers, together with the Dutch, work the hardest to control their emotions. This reserve makes it possible for both groups to project a calm and objective demeanor, perform well under stress, and potentially be keen negotiators.

## **ON THE OTHER SIDE OF THE CHANNEL**

There are some minor differences between Irish and UK managers, but for the most part their styles are very similar to each other. The Irish leaders saw themselves as more apt to use past experience as a guide to current decision making, to develop technical expertise, to put processes and structure in place to ensure goals are met and tasks completed. Irish managers are also more willing to subordinate personal goals for the good of the group. The UK managers are more likely to delegate tasks and responsibility and solicit input and ideas from others. Both groups of leaders are comfortable in the management role and, like the Dutch, are willing to make decisions on a more independent basis.

## **IN SUMMARY**

This report gives only a high level overview and analysis of the differences in leadership styles found among European managers. Although the data is interesting, and occasionally provocative, the challenge comes in finding the meaning behind the data. In real world terms, the opportunity is to find ways to help organizations and individuals to be more effective in an increasingly complex, demanding, and multi-cultural workplace. Going back to our original question, the answer appears to be yes. In Europe, country culture heavily influences leadership style, approach, and expectations. For the global leader, technical savvy, business acumen, and management experience within one's own cultural context is no longer enough. Personal success - and organizational competitiveness - is increasingly dependent on our ability to understand individual behavior in cultural terms. Interaction across cultural boundaries involves both visible and invisible differences that can be barriers to the true goal of understanding one another and working together to find solutions to common problems. In the words of Jean Monnet, the founder of the European Community, "If I were again facing the challenge to integrate Europe, I would probably start with culture."

About the Authors

**Helen Peters, M.A.**, is the former Managing Director (EMEA), Management Research Group®, Munich, Germany, and now runs her own coaching and consulting practice in the Silicon Valley.

**Robert I. Kabacoff, Ph.D.**, is V.P. of Research and Development, Management Research Group, Portland, Maine.

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**Management Research Group®**  
Ardeen Mews, 10/11 Marine Terrace  
Dun Laoghaire, Co. Dublin  
Ireland  
Telephone: +353 1 280 4430  
Fax: +353 1 280 4434  
e-mail: [info@mrg.com](mailto:info@mrg.com)

**Management Research Group®**  
14 York Street, Suite 301  
Portland, Maine 04101 USA  
Telephone: + (207) 775-2173  
Fax: + (207) 775-6796  
e-mail: [info@mrg.com](mailto:info@mrg.com)