

Strategic Leadership and Cultural Differences in Communication: A Multi-Country study

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Background and research questions

- Leaders serve as key channels for communicating values and strategic changes and motivating followers within the organization
- When people from different cultures try to communicate, difficulties may arise due to idiosyncratic values, beliefs, communication styles, expectations, norms, and behaviors
- This study focuses on the communication and transformational leadership and coaching leadership style in different cultures (USA, Indonesia, and Finland) in order to explore cultural differences in organizational behavior
- The research questions are as follows:
 - Are there country differences in case of the transformational leadership and coaching leadership style?
 - Are there mediating effects of the communication style, culture and leadership?

Methodology

Data

- 162 respondents USA 38%, Indonesia 38% and Finland 25%. Most of the respondents (55%) were male.

Questionnaires

- Transformational leadership (TF)
- Coaching leadership (CL)
- Communication style (CS):
 - emotional intelligent
 - clear dialog
 - insecure
 - impatient
 - dominating
 - avoiding

Control Variables: Gender as control variable. For the statistical analysis gender was dummy-coded.

Results of hierarchical regression analyses predicting coaching and transformational leadership

Variable/ parameter	Coaching leadership			Transformational leadership		
	Model 1	Model 2	Model 3	Model 1	Model 2	Model 3
Gender ^a	.189*	.083	-.030	.262***	.189*	.081
USA ^b		-.235*	-.170**		-.056	.007
Indonesia ^c		-.380***	-.065		-.285**	-.006
Emotionally Intelligent			.829***			.744***
Clear Dialog			-.005			.070
Insecure			.052			.010
Impatient			-.077			.029
Dominant			.169***			.023
Avoiding			-.042			-.062
R ²	.036	.116	.743	.069	.128	.630
ΔR ²	.036	.080	.627	.069	.059	.502
F	5.827*	6.791***	48.098***	11.569***	7.569***	28.181***
ΔF	5.827*	7.050**	60.925***	11.569***	5.256**	33.696***

Results of the bootstrap for the indirect effects of nationality on coaching / transformational leadership via communication style

Indirect effect	Effect	Boot SE	Boot LL 95 percent CI	Boot UL 95 percent CI
FIN vs. USA => EI => CL	-.3071	.1274	-.5495	-.0559
FIN vs. IND => EI => CL	-.9356	.2009	-1.3565	-.5651
FIN vs. USA => CD => CL	-.0051	.0811	-.1717	.1513
FIN vs. IND => CD => CL	-.0060	.0961	-.1994	.1786
FIN vs. USA => INS => CL	.0411	.0473	-.0368	.1534
FIN vs. IND => INS => CL	.0394	.0467	-.0325	.1523
FIN vs. USA => IMP => CL	.0071	.0232	-.0369	.0620
FIN vs. IND => IMP => CL	-.0024	.0229	-.0495	.0494
FIN vs. USA => D => CL	.0997	.0508	.0182	.2132
FIN vs. IND => D => CL	.1053	.0531	.0203	.2246
FIN vs. USA => A => CL	-.0021	.0184	-.0445	.0353
FIN vs. IND => A => CL	-.0046	.0186	-.0487	.0308

Indirect effect	Effect	Boot SE	Boot LL 95 percent CI	Boot UL 95 percent CI
FIN vs. USA => EI => TF	-.2468	.1155	-.4703	-.0142
FIN vs. IND => EI => TF	-.8089	.1826	-1.1817	-.4674
FIN vs. USA => CD => TF	.0710	.0608	-.1154	.2729
FIN vs. IND => CD => TF	.0846	.1139	-.1375	.3189
FIN vs. USA => INS => TF	.0085	.0608	-.1025	.1436
FIN vs. IND => INS => TF	.0082	.0586	-.0932	.1456
FIN vs. USA => IMP => TF	-.0042	.0178	-.0493	.0269
FIN vs. IND => IMP => TF	-.0008	.0164	-.0332	.0381
FIN vs. USA => D => TF	.0128	.0370	-.0604	.0939
FIN vs. IND => D => TF	.0135	.0395	-.0591	.1058
FIN vs. USA => A => TF	-.0026	.0250	-.0530	.0561
FIN vs. IND => A => TF	-.0061	.0261	-.0613	.0533

Conclusions

- **Communication styles impact on leadership**, despite of culture
 - EI – impact on both TF and coaching leadership style
 - Dominating – impact on coaching leadership style
- **Culture impacts on coaching leadership style** - Finnish leaders use more coaching leadership style than Indonesia and USA
 - According to Hofstede's dimensions, Finnish people are far *lower in power distance, masculinity and have higher uncertainty avoidance* than Indonesian and US nationals. These qualities tend to enhance discussions and mutual agreements, and usually Finnish people dislike hierarchy and dominant leadership. Also coaching style is becoming very common style for leaders in Finland.
- **Culture has an indirect impact on leadership via communication styles**
 - Emotionally intelligent and dominant style -> Coaching
 - Emotionally intelligent -> TF-leadership

Thank you!