

Managerial competencies across borders

There are notable differences in how Asian and non-Asian countries emphasize the building of trust and other managerial competencies.

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What does it take to be an effective leader? Is the answer the same across cultures?

In their paper, "[Multicultural Validation of a Three-dimensional Framework of Managerial Competencies: A Comparative Analysis of its Application in Asian versus Non-Asian Countries](#)," ESE's María José Bosch, IESE's [Yih-teen Lee](#) and CEIBS' Pablo Cardona tackle two tasks.

First, the authors take a three-dimensional model of managerial competencies and measure its stability across 15 countries.

Second, finding the model generally stable (that is, validated in the 15 countries measured), the authors delve deeper to compare four Asian countries and 11 non-Asian countries in each of the model's dimensions. Specifically, the authors find that Asian countries place more emphases on interpersonal and external dimensions of the model while non-Asian countries put added weight on the personal dimension.

The findings of this study could help organizations select, assess and develop managers. In particular, the authors note that the ability to build trust in subordinates (an interpersonal skill) should be emphasized when developing leaders to work well in Asia.

A three-dimensional framework

In the words of the authors, "competencies" are "the repertoire of capabilities, activities, processes and responses available that enable a range of work demands to be met more

effectively by some people than by others."

In the framework they test, there are three main sub-categories of competencies: external, interpersonal and personal.

- *External competencies* reflect strategic talent — that is, the capacity to develop and implement strategies that positively impact profitability. This category includes a manager's "business vision" and the ability to effectively manage resources, negotiate and network.
- *Interpersonal competencies* reflect executive talent — the capacity to develop efficient relationships with subordinates and other collaborators. Displays of integrity, good communication and delegation are important here.
- *Personal competencies* are oriented toward developing self-leadership and professionalism and are associated with internal decision-making and learning processes.

In each of the dimensions, competencies are measured with the observations of three subordinates for each manager. Specifically, subordinates were asked to respond to 75 items — such as, "My supervisor deals with me honestly" (interpersonal) — from 1 ("never") to 5 ("always").

The 15 countries — Brazil, China, Colombia, Germany, Greece, Ireland, Mexico, Pakistan, Peru, Philippines, Poland, Russia, Spain, Thailand, and the United States — were selected to cover the key cultural regions of the world.

As far as the authors know, theirs was the first study that "explicitly and empirically validates a model of managerial competencies at such a large scale across all key cultural regions of the world."

The power of trust

Research summarized by the authors suggests that the ability to build trust in subordinates would be especially important for leaders in Asian countries (in this study, China, Pakistan, Philippines and Thailand).

Conceptualizing trust as the willingness to be vulnerable, research finds the propensity to trust tends to be higher in the United States than in Asia, for example.

In fact, multiple studies show that Americans are more trusting of other people in general,

while collectivists, a dominant value in Asia, are less likely to trust people outside their group.

As a result, it may be more important for managers in Asian countries to work to build up trust with their subordinates.

The study backs this hypothesis, and yields a few surprising results as well.

The authors note that in Asian countries there is also more emphasis on "external competencies" than in non-Asian countries. The reason for this may be the recent rapid-fire growth of many Asian countries, demanding more strategic vision and better resource management from leaders. At the same time, Asian countries see less emphasis on "personal competencies," perhaps because of the higher power distance between subordinates and their managers.

Applying the model

With a model of managerial competencies that has been validated across the globe, the authors suggest that organizations — domestic and multinational alike — use this tool to better develop their managers. And further studies could help pinpoint more specific competencies to fit the cultural contexts.

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