RESEARCH ON LEADERSHIP: A COMPARATIVE STUDY IN CROATIA AND SWEDEN

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ABSTRACT

In a time of economic crisis, leadership effectiveness should be the goal of every leader. In this article, the authors explore differences between Croatian and Swedish managers, considering leadership styles, perceptions of the qualities and skills of good leaders and the use of the English language at work. There are significant differences between the mean scores used in this study to indicate attitudes toward individual leadership styles in the two countries. Furthermore, the results indicate that there are differences between the Croatian and Swedish managers’ concept of the most important traits and skills of managers. The largest difference concerns the use of the English language at work. The results confirm that Croatian managers, as a part of South-Eastern Europe, perceive current cultural practices in their environment differently than their western counterparts.

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I. INTRODUCTION

Leadership research is a tricky endeavor. As many have noted (Bass, 1997; Chemers, 1997), there is no clear description or definition of leadership that has been stated and accepted by everyone. Therefore, this question lies in the hands of every researcher, writing about the topic, to establish her or his own definitions. Harris (1998,117) states that “leadership is mostly about effectiveness, but also about efficiency”. Many leaders believe today that if an organization is efficient, it will become effective. This is often based on the common belief that if you do the right thing, you can work on doing it right.

There are number of existing theories describing leadership and specific aspects of the subject. Yukl (2006) points out that definitions of leadership reflect the assumption that it involves a process, in which planned activities is used by one person over other people to guide, structure and facilitate activities and relationships in a group or organization.

Leadership is characteristic phenomenon in human history. There are no long lasting groups or organizations that do not have any form of leadership. According to Anderson (2001), when many people are working together towards the same goal, it is required that one person takes the role as a leader, who can coordinate and organize the work. Therefore, it is important to remember that there are no organizations without leadership.

Everyone now realizes that today’s leaders are operating in a global context. In spite of recent economic troubles across the world, the degree of globalization continues unabated. Although this increasing globalization is certainly not new to the theory, research and practice of leadership (Sloan, Hazucha and Van Katwyk, 2003), the understanding and dimensions of effective global leadership continue to be a challenge.

Questions about leadership have long been a subject of speculation, but scientific research on leadership did not begin until the twentieth century. An effective manager must have skills that are perceived as effective by many different people, despite cultural differences. Should we concentrate on the subject of leadership in business world, we note that it is closely related to management. The aim of good management is to provide services to the community in an appropriate, efficient, equitable, and sustainable manner, and such distribution is only achieved if human resources are well synchronized (Mumford et al., 2000).

In the time of economic crisis, leadership effectiveness should be the goal of every leader. Thus, to know the term and understand how to become effective in one’s leadership should be of great importance for all leaders. The term has not yet been stated and there is no well proved ways of how to become effective as a leader.

A. Dimensions of culture

It is of great importance to understand cultural differences when working with different nationalities. If being prepared of what to expect when meeting with people from different cultures, one might be able to know how to approach the opponents and how they might react. Lewis (1999) stated that by possessing knowledge about different cultures, one may avoid cultural shocks and provide oneself with insight in advance, which consequently enable one to interact with other nationalities in a more successful way. Cultural differences can vary from being rather similar to completely unlike. For instance, cultural differences in Europe vary from Latin liveliness to Scandinavian calm. We are now living in times when globalization and internationalization take place and everything is turning into a whole. Thus, the aspect of culture becomes of great
importance and interest. The subject of leadership is not only perceived differently from one person to another, but also from culture to culture. The aspect of managing cultural diversities is today very important, because for many organizations, the open market is vital for their survival. If possessing the knowledge of how different cultures work, act and think in business life, one has the lead and a greater possibility to win the trust of the opponent, hence the negotiations. If one does not understand the differences in culture, one run the risk of act in a way that in the eyes of the opponent is not seen as acceptable. Consequently there will be no chance to build a relationship that one can benefit from (Ardichvili, 2001).

Several conceptual frameworks have been developed to explain cross-cultural differences, and numerous empirical studies have been conducted to test the validity of those frameworks, many of which in the context of leadership.

To date, cross-cultural research on leadership has greatly depended upon Hofstede's (1991) classic framework emphasizing country differences or some of the more recent frameworks such as offered by the GLOBE project. The GLOBE research project was initiated at the Wharton Business School of the University of Pennsylvania in the early 1990s and investigates business leadership worldwide. It has become a basis for developing a worldwide GLOBE community. Many researchers have joined the GLOBE project whose main research objective is to determine the extent to which the practices and values of business leadership are universal and to which they are specific to a specific country or a cluster of countries (House et al., 2004: 3). They have found that cultural universal attributes as well as culturally contingent attributes exist, enabling them to form implicit leadership theories in several cultural environments (House et al., 2004).

The GLOBE researchers based their assessment of culture on a psychological/behavioral tradition, which assumes that shared values are incorporated in behaviors, policies and practices. Due to the empirical research needs they have divided culture in nine cultural dimensions. These dimensions are: 1) uncertainty avoidance; 2) power distance; 3) collectivism 1 (societal collectivism); 4) collectivism 2 (in-group collectivism); 5) gender egalitarianism; 6) assertiveness; 7) future orientation; 8) performance orientation; and 9) humane orientation (House et al., 2002: 5-6).

GLOBE has empirically identified six leadership styles from a large pool of theoretically defined leadership behavior patterns. These styles are (House et al., 2004: 14; Chhokar et al., 2008: 1; Steyrer et al., 2008: 365) charismatic/value based leadership; 2) team-oriented leadership; 3) participative leadership; 4) humane-oriented leadership; 5) autonomous leadership; and 6) self – protective leadership. Charismatic/value-based leadership reflects the ability to inspire, to motivate, and to successfully demand high performance outcomes from others based on firmly held core values. Team-oriented leadership emphasizes effective team building resulting in mutual support and the creation of a common purpose. Participative leadership develops a high level of involvement of subordinates in making and implementing decisions. Humane-oriented leadership is described as developing a high degree to which leaders in organizations or societies encourage and reward individuals for being fair, altruistic, friendly, generous, caring and kind to others. Autonomous leadership refers to independent and individualistic leadership, whereas self-protective leadership describes leadership behavior that is self-centered, status conscious, procedural and conflict inducing.

The GLOBE research findings regarding leadership styles have shown that some of them are seen as good and effective or bad and unwanted in all countries and regions, while others are more culturally contingent (Lang et al., 2010: 111).
According to Lewis (1999), people from different cultures share the basic concepts but they view things from different perspectives, which make people behave in different manners, hence causing misunderstandings. For that reasons, the cultural differences with regard to the subject of this work will have a great significance in the further study of the work. It is considered important for the purpose of this work to find out where the two countries, Croatia and Sweden, differ in perceiving the role of leadership and to try to conclude how they should approach handling mutual affairs in future.

B. Importance of foreign language

In recent years, the topic of language – its importance and influence on leadership, human resource management policies, knowledge flows and communication, has gained prominence as a separate area of study (Marschan, Welch and Welch 1997; Marschan-Piekikki et al., 1999; Feely and Harzing 2003; Piekikki, Vaara, Tienari, and Säntti 2005; Luo and Shenkar 2006; Harzing and Feely 2008). There is a general consensus in the literature that language matters. Yet, we still know little about how firms cope with language issues (Maclean, 2006). Although researchers agree that managers need to manage linguistic diversity (Feely and Harzing, 2003; Janssens et al., 2004; Luo and Shenkar, 2006), the pros and cons of a common corporate language strategy are still being debated, despite much of the early empirical evidence pointing towards substantial difficulties in achieving language standardization (Dhir and Goke-Pariola, 2002; Fredriksson et al., 2006; Piekkari et al., 2005; Marschan-Piekikki et al., 1999). Yet for many leaders communicating in English, the lingua franca of international business is increasingly the operational reality.

i. The aim of the study

Since the base for this study was a research project including Sweden and Croatia the focus is put only on these two countries. The presentation of the empirical findings will be systematized by offering answers to the following research questions:

1. Which leadership styles are preferred by Croatian managers and do they differ from those preferred by Swedish managers?
2. How do Croatian managers’ perceptions of qualities and skills of good leader differ from those of Swedish?
3. Is there a difference in use of English language at work between Croatian and Swedish managers?

Sweden is western and Croatia is south – eastern European country and therefore we suppose of that the diversities in terms of cultural differences may differ greatly.

II. METHODS

A. Participants

The data for this study were collected in two countries. Sample consists of thirty – nine managers from Croatia and the same number from Sweden (67% male and 33% female). Respondents were participants in Tempus project (The road to Europe: Training courses and resources for institution building in European integration) in which University of Pula, Croatia and Kristianstad University College, Sweden, took part.
B. Research instrument

The questionnaire contains two sets of questions and demographic information. The first part of the questionnaire contained variables, six leadership styles, which were defined and taken out of the GLOBE research project (House et al., 2004).

The second part of the questionnaire was mainly adapted from that used by Drucker et al., (1995). It contained nine questions about leadership traits and skills and one relating the use of English language.

Regarding the scales used in the questionnaires the respondents were asked to express their agreement with a given statement using a five-point, Likert – type scale (from 1 = fully disagree, to 5 = fully agree). The last part of the questionnaire collected some demographic information from the respondents.

C. Data analysis

The results from the questionnaires were processed using SPSS for Windows (Statistical Package for Social Sciences).

III. RESULTS AND DISCUSSION

The research results are classified in three groups: 1) differences between the preferred leadership styles in Croatia and Sweden; 2) differences between the perceptions of qualities and skills of a good leader; 3) differences in using English language at work.

A. Difference between preferred leadership styles

In order to define if there are differences between the preferred leadership styles in Croatia and Sweden we apply a paired t – test.

TABLE 1- COMPUTED MEANSCORES FOR INDIVIDUAL LEADERSHIP STYLES IN CROATIA AND SWEDEN

<table>
<thead>
<tr>
<th>Leadership style</th>
<th>Croatia (n=39)</th>
<th>Sweden (n=39)</th>
<th>t</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charismatic/value-based</td>
<td>3,81</td>
<td>4,11</td>
<td>-0,22</td>
<td>0,00</td>
</tr>
<tr>
<td>Team oriented</td>
<td>3,79</td>
<td>3,81</td>
<td>0,04</td>
<td>0,63</td>
</tr>
<tr>
<td>Participative</td>
<td>3,47</td>
<td>3,60</td>
<td>-0,12</td>
<td>0,00</td>
</tr>
<tr>
<td>Humane-oriented</td>
<td>3,05</td>
<td>3,06</td>
<td>0,01</td>
<td>0,88</td>
</tr>
<tr>
<td>Self protective</td>
<td>3,13</td>
<td>2,97</td>
<td>0,16</td>
<td>0,00</td>
</tr>
<tr>
<td>Autonomous</td>
<td>3,22</td>
<td>2,67</td>
<td>0,55</td>
<td>0,00</td>
</tr>
</tbody>
</table>

Source: Author calculation
Moira Kostić-Bobanović, Mieta Bobanović

Croatian managers’ perceptions of individual leadership styles in Croatia mostly do not show big absolute differences between mean scores from the perception of Swedish managers. Statistical testing for relevant differences in mean scores between both groups shows that the attitudes of Croatian managers differ significantly regarding four leadership styles in comparison with Swedish managers. We found statistically significant differences linked to the charismatic/value-based, participative, self-protected and autonomous leadership styles. These conclusions are based on the computed t-test of the differences between both groups (2-tailed significance levels) shown in Table 1.

According to the computed p-values, Croatian managers appreciate more self-protective and autonomous leadership styles. We suppose that Croatian managers like independent and individualistic leadership with self-centred and status conscious behaviour. More than their Croatian counterparts, Swedish managers like charismatic/value-based and participative leadership styles. That result is contrary to the popular belief of Swedes being ‘cold’. They are keen on inspiring, motivating and demanding high performance outcomes from others based on firmly held core values (Tollgerdt – Andersson, 1996). Swedish managers also like to develop a high level of involvement of subordinates in making and implementing decisions. Both groups of respondents appreciate team-oriented and humane leadership styles quite similarly.

Croatian managers assigned the highest mean scores to a value-based (3.79) and team-oriented (3.81) leadership style which are the two leadership styles also assessed as the most appropriate by respondents in Sweden. Croatian managers share similar attitudes with Swedish regarding self-protective and participative leadership styles. They assessed those leadership styles as the least appreciated.

B. Differences between the perceptions of qualities and skills of good leader

Nine respondents’ qualities and skills (considered to be required, as to be a good leader) have been analyzed (see Table 2 and 3).

TABLE 2 - CROATIAN MANAGERS’ PERCEPTIONS OF QUALITIES AND SKILLS OF GOOD LEADER

<table>
<thead>
<tr>
<th></th>
<th>Agree</th>
<th>Hesitate</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knowledge is the basic characteristic for a leader.</td>
<td>32.46%</td>
<td>35.90%</td>
<td>25.64%</td>
</tr>
<tr>
<td>A leader should participate in social exchange.</td>
<td>61.53%</td>
<td>12.82%</td>
<td>25.64%</td>
</tr>
<tr>
<td>A leader should be ascendant, dominant.</td>
<td>82.05%</td>
<td>7.69%</td>
<td>10.26%</td>
</tr>
<tr>
<td>A leader must know how to control his/her emotions.</td>
<td>5.12%</td>
<td>41.03%</td>
<td>53.85%</td>
</tr>
<tr>
<td>Task orientation (interest in work) is important for a leader.</td>
<td>94.87%</td>
<td>5.13%</td>
<td>-</td>
</tr>
<tr>
<td>Knowledge of English is very important for performing your job.</td>
<td>58.97%</td>
<td>12.82%</td>
<td>28.20%</td>
</tr>
<tr>
<td>A leader is a creative and original person.</td>
<td>58.94%</td>
<td>28.11%</td>
<td>18.82%</td>
</tr>
<tr>
<td>A leader should be self confident.</td>
<td>100%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>The fluency of speech is important.</td>
<td>69.23%</td>
<td>10.26%</td>
<td>20.51%</td>
</tr>
</tbody>
</table>

Source: Author calculation
All our respondents (100%) consider being self confident as the most important characteristic required of managers. A task orientated manager was ranked second among all traits (94,87% agree). A great majority of respondents (82,05%) believe that a very important managers’ trait is the skill of being dominant. The fluency of speech follows as a required skill (69,23% agree). Almost 59% of our respondents agree that the manager should be a creative person with good knowledge of English language. More than half respondents (61,53%) agree that a leader should participate in social exchange. Croatian leaders don’t think that knowledge is crucial in successful leadership; only three out of ten respondents find knowledge important. According to Bebek (2005), an average Croatian business and political manager is not adequately educated for challenges of modern leadership. It is interesting that more than half of the respondents (53,85%) perceived emotional balance and control as a less important quality of successful leaders and the other half could not decide about it.

**TABLE 3 - SWEDISH MANAGERS’ PERCEPTIONS OF QUALITIES AND SKILLS OF GOOD LEADER**

<table>
<thead>
<tr>
<th>Quality</th>
<th>Agree</th>
<th>Hesitate</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knowledge is the basic characteristic for a leader.</td>
<td>51,46%</td>
<td>28,11%</td>
<td>20,51%</td>
</tr>
<tr>
<td>A leader should participate in social exchange.</td>
<td>97,44%</td>
<td>-</td>
<td>2,56%</td>
</tr>
<tr>
<td>A leader should be ascendant, dominant.</td>
<td>43,59%</td>
<td>43,59%</td>
<td>12,82%</td>
</tr>
<tr>
<td>A leader must know how to control his/her emotions.</td>
<td>94,88%</td>
<td>2,56%</td>
<td>2,56%</td>
</tr>
<tr>
<td>Task orientation (interest in work) is important for a leader.</td>
<td>94,87%</td>
<td>5,13%</td>
<td>-</td>
</tr>
<tr>
<td>Knowledge of English is very important for performing your job.</td>
<td>89,74%</td>
<td>5,13%</td>
<td>5,13%</td>
</tr>
<tr>
<td>A leader is a creative and original person.</td>
<td>74,36%</td>
<td>20,51%</td>
<td>5,13%</td>
</tr>
<tr>
<td>A leader should be self confident.</td>
<td>100%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>The fluency of speech is important.</td>
<td>84,62%</td>
<td>10,26%</td>
<td>5,12%</td>
</tr>
</tbody>
</table>

*Source: Author calculation*

More than half of the respondents (51, 46%) find knowledge to be an important leadership quality and less than half of them (43, 59%) think that dominance is important in leadership. All the other qualities and skills reported high percentage, with every respondent agreeing self confidence is important for a person to be a successful leader. Nine out of ten respondents consider the knowledge of English language significant for leadership. High percentage (94, 87%) of agreement regarding the importance of task orientation suggests that planning and organizing are appreciated before decision-making and implementation. According to the results Swedish leader should be communicative and emotionally stable (Table 3).

We suppose that Swedish managers consider the characteristics of person very important and if one has the right personality, one will eventually acquire knowledge in specific field. Management in Sweden is not person – centred but functional centred. The Swedes do not want to stick out from the group in their native country but would prefer to merge with it. Swedish operation in business is dominated by efforts on consensus and they try to avoid conflicts according to participation in social exchange. The Swedish leader is usually one of the workers among others than a lonely ruler what proves dominance section (Suutari, 1996).
The graph above shows the differences between the most important leadership qualities and skills as perceived by Croatian and Swedish respondents.

The main differences lie in the relation toward employers and knowledge, especially the knowledge of English language.

The difference between subordinates and superiors comes more prominent in Croatia. On the count of Croatian mentality and the way they conduct business we suppose that personal relations are very important during business procedures.

Our results are similar to those obtained by Mihelčić and Karlovčan (2008). According to the authors Croatian managers have business and work oriented culture. They are usually reserved and formal in business. They are mostly career-focused and will work exceedingly hard to achieve their goals. Croatian managers feel that for the success of the management, acquaintances are more important than education. These results can be linked with a business style in Croatian culture in general and the importance of family ties and relationships, and friendships in business world. Most managers consider creativity to be more accountable for achieving results rather than adherence to procedures (Mihelčić and Karlovčan 2008).

Swedish managers cooperate more and work more as a team than as a system of subordinates and superiors. This kind of system brings better office climate. In her research Tollgerdt-Andersson (1996) stated that Swedish managers consider it important to formulate goals, lead through management by objectives, care about the employees, create good teamwork, and be honest. They believe that they delegate as much as they can, as that is a way of dividing work and responsibility. They mean that the employees are relatively free to make decisions, but they also have to retain responsibility. Most of the Swedish managers state that their relations with their employees are characterized by tolerance and frankness along with a strong wish that the relationship would be that way (Schriesheim et al., 2006).
Emotions and personal interests are often the source of many conflicts in Croatian companies, while Swedish managers are more careful about human relations and more in control with their emotions. Croatian leaders think that verbal performances are quite important which is highly accompanied with dominance in relations. This leads to the conclusion that Croatian leaders maintain distance towards their employers. Results presented in the research conducted by Skansi (2000) show that dominant leadership style in big Croatian companies is consultative, leading to the conclusion that the tendencies in leadership styles show the need for a new generation of leaders who will be essentially different from the traditional manager. The closer the leadership style in Croatia is participative, the higher the managerial efficiency will be. In general, young leaders are task orientated and more open to different ideas than older managers who worked during the Communist regime. Hierarchical management style is still predominant in business; it means that the decisions are made at the top of the company. It is often the case that in completing tasks, schedules and deadlines are broken. Even though managers may not be involved in making decisions, they may give the impression of having been consulted when relaying information to their subordinates (Skansi, 2000).

Green and Olsoon (2006) conducted a study in four countries of the EU (Sweden, Great Britain, France and Germany, respectively) with the purpose to find an ideal leader that would be perceived as effective in all of the above mentioned countries. “An ideal leader must, in order to be perceived as effective in the four different countries, be charismatic, have good communication skills, and put emphasis on the team building among her or his employees” (Green and Olsoon 2006: 34).

We believe that the mentioned study of cultural differences between four EU countries provides the picture and framework on how Croatian leaders and managers should perceive their EU colleagues and act upon through interaction.

C. The importance of knowing English language

Croatian leaders still think English is not crucial in successful leadership as almost 30% of the respondents openly disagree. Only recently, there have been special programs for promoting the importance of speaking foreign languages, especially English language.

The importance of knowing English was accepted in Sweden a long time ago. There is a possibility of learning foreign languages in kindergarten and that has become a custom there. Most habitants speak English fluently, particularly managers who use it in their work.
The main difference in the use of English probably comes from differences in participation in the international distribution of work. Croatian export is mainly oriented on Central and Eastern Europe. They have a special focus on neighboring countries, while Swedish businessmen export to Western Europe. Only 5.13% of Croatian managers use English language every day while the majority of Swedish managers use it on daily basis (53.85%). The accession of Croatia in European Union increases the possibility of exchanging products and services with Western European countries which implies a higher knowledge of foreign languages, especially English. Developing of English language skills will be highly beneficial for sending and receiving documents in English language, business discussions and negotiations.

Many studies and researches (Marschan-Piekkari et al., 1999; Piekkari et al., 2005) have come to the conclusion that the knowledge of English language is crucial for doing business between European countries.
IV. CONCLUSION

Despite these uncertain economic times, globalization continues. Processes of globalization mean that organizations are in constant change. By now, it is a well known fact that every business needs an effective leader.

Our research findings offer specific answers to the research questions we posed in the introduction. We may conclude the following:

• Croatian managers have (statistically) significant different attitudes to individual leadership styles than their Swedish counterparts.

• There are some differences in perceptions between the two stated groups of managers regarding their views on what are the most important traits and skills of managers.

• The major difference exists regarding the use of English language at work.

It is important to ask the question whether the differences between Swedish and Croatian managers discovered by this study represent obstacles or show some advantages in their future interaction. The correct answer would probably be both. If known, obstacles can and should be prevailed in order to successfully manage mutual affairs and this conclusion only confirms the necessity of cross cultural sensitivity.
V. LIMITATIONS OF THE STUDY

Though these results are interesting, it is difficult to place them in a larger context, or to relate them to those of other cross-cultural studies. We advocate larger samples of cultures, because this allows researchers to interpret the results in terms of theoretically relevant cultural dimensions, and to assess the variance accounted for by cultural dimensions, rather than simply saying whether the two cultures are significantly different on some measure of interest. Another limitation of the study is rather small sample and different levels of management.

VI. REFERENCES


