Evaluating the Effectiveness of Expatriate Managers' Leadership Style in Poland

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Abstract

Our study explored how expatriate versus local managers operate in Poland's post-EU accession transitional economic and organizational environment. Surveys asking about leadership styles and job satisfaction were conducted with 34 Polish employees working under expatriate managers in three mid-size companies; these surveys were supplemented with in-depth interviews with five Western European middle-managers working in Poland. We found that perceptions of local and foreign managers differed on several dimensions, including association of higher mastery of social and communication skills with expatriate managers while perceiving Polish managers as more superior in competence and power-related dimensions. These findings have implications for expatriate managers in Poland and, more generally, for organizational leadership in transitional East European economies.

In May 2004 the European Union experienced its largest change and enlargement ever, when 10 new countries acceded to the Union. This major change in EU composition was motivated by economic factors as well as by socio-political ones. This recent enlargement of the EU was especially significant and challenging since most of the 10 countries joining the EU were former East-European nations with a long tradition of state-controlled, Soviet-style communist economic policies. A big worry for the EU was to which degree and how fast can these economies adopt themselves to the central and western economies that characterised most EU nations. Poland, with a population of over 38 million people was, by far, the largest of the new EU member countries. A major challenge that faced the Polish economy since the early 1990s has been the implementation of a more market-oriented economy (Oechlin, 1991). As part of this economical shift, there was an influx of expatriate managers to Poland who assumed managerial positions both in Polish companies as well as in the rapidly growing number of multinational and international companies who established operation in the country (Zinovieva, 1993).

The present study is concerned with investigating Polish employees' perceptions of their Western (European) expatriate managers and to assess the relative effectiveness of these managers' leadership style compared to Polish managers. It has been established by now that the universalistic approach to management does not hold. That is, we know that nations' cultural texture affects the type of organisational practices that emerge in a certain nation and, furthermore, the relative appropriateness of using certain management processes and practices (e.g., Hofstede, 2001; Schwartz & Sagiv, 1995).

Stemming from the above is that managers should adopt their approach and action to the culture they operate in or to the culture where the majority of their employees belong to. Indeed, one of the areas that occupied cross cultural management scholars has been the study of leadership styles across cultures (e.g., Dorfman, 1996; House et al., 2004). Studies that looked at leadership styles across nations found both similarities and differences in the prevalence and effectiveness of certain leadership styles (e.g., Aycan, 2008; House et al., 2004). For example, Bass et al. (1979) found that managers, across a variety of cultures, preferred to get things done while using less authority. Smith and Patterson (1994) found that managers in 25 countries were more satisfied performing activities where they had higher discretion. At the same time, numerous studies reported that some leadership attributes are culture-specific (e.g. Ah Chong & Thomas, 1997; House et al., 2004).

Up to date, relatively few studies examined the leadership issues facing Western expatriate managers working in former Soviet-block countries. The few studies that examined organisational leadership in Poland indicate that Polish managers, compared to their peers in Western and Central Europe, tended to employ an autocratic approach (Maczynski et al., 1994). Furthermore, following their comparative study of leadership styles, Mehta, Dubinsky and Anderson (2003) concluded that "in Poland a directive leadership style will have the strongest relationship with motivation". On the other hand, like in most transitional East-European countries, a gradual change in work-attitudes has been occurring and some authors suggest that the new generation of Polish organisational members may prefer a more participative and less autocratic leadership style (Jago et al., 1996). In our study, we set to empirically examine this issue in the context of Poland's transitional organisational environment.

Method & Sample

There were two parts to the data collection: the main part is based on surveys administered to 34 Polish employees; we supplemented this quantitative data source with a qualitative method, conducting in-depth interviews with five expatriate managers in Poland.

For the survey, we chose to contact three midsize companies under various ownerships, in three different industries, located in tow different cities in Poland: Consulting (French/Polish owned; Krakow), Construction and Project Management (Belgian; Krakow) and Telecommunication (U.K.; Warsaw). Employees who worked under West European managers were contacted by email and asked to complete the anonymous questionnaire. Of the 357 employees contacted, we received 34 completed questionnaires, accounting for just under a 10% return rate. The first part included demographic items as well as questions on experience of working with Western managers; the second part queried participants on their interactions with Western managers; followed by items asking them to compare their experiences working under Polish managers versus Western managers. The survey ended with two open-ended questions.

Over 41% of the respondents worked abroad and 16 of the 34 participants have lived abroad. The largest group lived in France (36.4%) followed by Germany (22.7) and the UK (13.6). Twenty two (65%) were women; 65% of the sample were aged 31 - 40. The sample had higher education qualifications than usual, with all having obtained a secondary degree and nearly 65% at the Masters level. In terms of tenure with the company, 26.5% spent 1-2 years; 44% 3-5 years and 20.5% 6-8 years. In terms of role, 32% worked as consultants, 8% were in lower management, 26.5 in middle-management, 8% in upper management and 18% in administration.

In addition to the survey, for gaining the expatriates' perspective we conducted individual semi-structured interviews, ranging between 40 – 90 minutes in length, with five junior-middle managers who have been working in Poland. Three were male and two were female and ages ranged between 36 and 55. Except for one manager, all worked over a year in Poland, with an average of 2.4 years.

Results & Findings

Over ¾ of respondents indicated that they found differences between Polish and W European managers' style. When asked about their professional interactions with Western managers on a 5-point scale ranging from 'Not acceptable' to 'Excellent', the average was 3.74 with 65% indicating that it was either 'Good' or 'Excellent'. A further analysis of the results indicated that employees' international exposure affected their assessment of expatriate managers: as Fig. 1 shows, employees with international experience indicated a markedly more positive interactions with expatriate managers compared to Polish employees without international experience.

Fig. 1: Polish Employees' International Experience and their Rating of Expatriate Managers
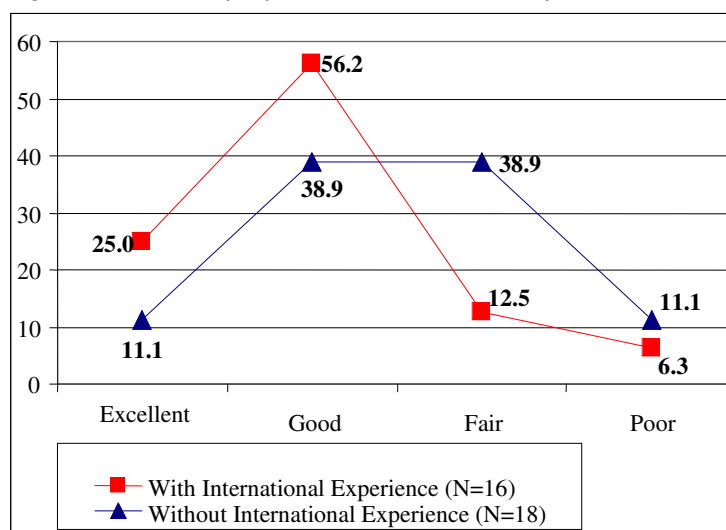
In terms of barriers, over 75% of surveyed employees indicated that *cultural differences* are the biggest hindrance in day-to-day interactions with their Western managers. Second largest issue was *language* barriers, indicated by 47% as a problem, while 44% believed that expatriates' management style created barriers. Regarding language, 65% indicated that fluency in Polish would make the Western manager more accepted by Polish employees.

The next section of the survey aimed at comparing perceptions of employees regarding Polish vs. Western managers on several central managerial competence areas. We found several major differences; in the following dimensions, the Western expatriates were rated as markedly higher than Polish managers:

- Overall job satisfaction
- Manager's social interaction
- Manager's integrity
- Manager's tolerance
- Flexibility
- Feedback given on performance

The areas where Western managers were rated relatively the highest were *feedback on performance* and *flexibility*. There were also several dimensions where Polish managers were rated as more superior, with *managerial authority* being relatively the highest:

- Manager's authority
- Employee's level of responsibility
- Manager's competence

Overall, it seems that while Polish managers are rated higher on several task or job-content related dimensions, the expatriate managers are rated higher on relationship oriented dimensions.

Next, we asked respondents to indicate (based on a two similar adjectives lists that appeared separately in the questionnaire) the most typical management-related traits of Polish and Western managers. Table 1 summarises these findings. Then, we asked employees to indicate which of a given list of traits needed by managers in order to mange successfully in Poland. In Table 1, the eight most desired traits (which were indicated by at least 47% of the sample) are marked by an asterisk.

Table 1: Traits Most Highly Associated with Western and Polish Managers

Western Manager	Polish Manager
Sensitive *	Not sensitive
Tolerant *	Not tolerant
Easygoing	Not easy-going
Open-minded *	Not open-minded
Friendly *	Not friendly
Not reserved	Reserved
Talkative *	Talkative *
Helpful	Social *
Active *	Task oriented
Not ingle-minded	Independent *

We can draw several conclusions from this table: first, it appears that the traits associated with the two managers groups are fairly distinct, indicating that Western managers are rated as more relationship-adept and better in the interpersonal dimensions while Polish managers are seen as more competent in several task-oriented dimensions. Secondly, it appears that, overall, Western

managers' personality profile is seen as better fitting for successful leadership in Poland than the profiles of local managers: most of the former traits were associated with success, while most of the latter traits were not. Furthermore, when asked to indicate, on a 5-point scale (5 being most favourable) how successful their current W European manager's performance is, over 58% indicated they were successful or v successful, with an average response of 3.62.However, when asked whether they'd prefer to work with a Polish or Western manager in the future, 38.2% answered that they'd prefer to work with a Polish manager, a similar number indicated that they are indifferent and only 23.5% preferred to work with a Western manager. Thus, although Western managers are rated more favourably, cultural and social differences are strong enough so that more Polish employees prefer to work with local managers.

What we learned from interviewing the five expatriate tends to generally correspond to what we learnt from employees' surveys. Thus, confirming our findings from the survey, Western managers believed that their Polish subordinates' international experience positively related to the quality of their interactions with them. The Western managers reported that they felt appreciated and respected by their Polish employees and that local employees tended to avoid conflict or disagreement with them. This finding correlates well with Poland scoring higher on Power Distance (Hofstede, 2001) compared with W European countries such as the UK and Germany. The interviewed managers confirmed the importance of commanding the local language; however, it was felt that the crucial part was not mastering the language but having some Polish vocabulary and improving their language skills consistently over time. They felt that in Poland, as in other countries they worked in, they gained more acceptance from local employees if they demonstrated willingness to learn the local language.

To conclude, our findings suggest that, according to our sample, Polish employees associate effective management with traits that are mostly characteristic of the Supportive Leadership style. Furthermore, they indicate that these traits are more often found in expatriate, rather than Polish, managers. At the same time, there is a certain ambivalence in their attitudes as the majority still prefers to work with Polish rather than Western managers and Western managers' style was indicated as a considerable barrier at work. This result can be seen as reflecting a less favourable attitude toward the participative leadership style, which tends to characterise Western managerial style considerably more than E European one. . Indeed, the interviewed managers described the typical Polish employee as one that works best under directive leadership style and indicated that, compared to Western employees, Polish are more dependent on a strong authority figures. It seems then that Polish employees are more comfortable and, perhaps, more confident with leaders who display a combination of supportive and direct leadership styles. Indeed, this conclusion echoes analysis by other researchers of the Polish management system who concluded that excessively dominant centralised planning which typified Soviet-era management shaped behaviour that did not support responsibility taking and developing independent decision making skills (Maczynski et al., 1993; 1994).

Also of interest is the finding that the two areas where Polish managers had the largest disadvantage compared to Western mangers were Performance Feedback and Integrity. The latter result may correspond to findings by a recent study (based on 2004 data) that reported concerns of MBA students in Poland over ethical issues at work, specifically those relating to recruitment and hiring, performance appraisal and promotion and abuse of authority (Ryan, 2006). Future studies could look further to examine whether Polish managers leadership style converges, as time passes from joining the EU, with Western managers' style and the effectiveness of such a hybrid-model.

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