# A Case Study of the Behavior of Global Leaders

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**Abstract :** In recent years, an important priority for researchers has been to determine how to build on the existing literature on leadership by taking different cultures into account. From the current research, global leaders are implicitly assumed to have a set of universal characteristics. However, even if a person can be thought of as a global leader, we must also account for the fact that each country is associated with its own characteristics and behaviors. To investigate this issue, a semi-structured interview of a global leader of a Japanese company was carried out, asking what difficult matters s/he had faced when collaborating with global members of the company, how s/he overcome obstacles, analyzing his behavior, and summarizing it as a case study. As a result, it was suggested that there is a characteristic of sharing context with global members in the case of a global leader in a Japanese company. This would represent a different aspect of the global leadership style that is characterized by aiming directly at the attainment of corporate objectives, as defined by global strategy, which has been established in the previous research. It is possible to present a hypothesis that we can understand different aspects of global leaders depending on their countries, and it can provide a new perspective for future research on global leaders.

[Keywords] global leader, Japanese companies, behavior, leadership, context sharing

# Introduction

#### Background

As globalization has progressed, Japanese companies have increasingly diversified their global human resource management, including the management of overseas subsidiaries. Despite these actions, a survey on organizational personnel still identified "global human resource" as a key management issue (Nihon Noritsu Kyokai, 2015). The discussion of global talent and global leaders has been advanced during so-called "lost 30 years" after the collapse of the economic bubble in Japan.

## Purpose of research and research question

Global leaders studied in the U.S. are considered to be representative of universal leaders that can be found around the world. However, does each country share its own characteristics or behaviors among its own global leaders? Based on the above background, we examine Japanese companies as a sample case. The specific aim of this research is to explore the characteristic behaviors of global leaders in Japanese companies.

The answer to this research question provides a new perspective on global leadership research by examining the different characteristics and behaviors of global leaders from a previously-unexplored angle.

This paper first examines the implicit assumptions in the previous research, outlines the research methodology, describes the research findings, and finally discusses the significance of global leadership research in Japanese companies.

## Literature Review

## Competency approach in global leaders' research

Nearly 30 years have passed since the birth of global

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leader research, and its main focus has been on the identification of global leaders competencies (Osland, 2013). In addition, there is a growing body of research attempting to identify cultural differences in competency utilization (e.g.: Den Hartog et al., 1999; House et al., 2004; 2007; 2014).

However, the following challenges exist with the competency approach (Shimada, 2016). First, many competency elements are listed, but it is not possible to distinguish between those essential and those not essential (Conger & Ready, 2004). Second, in the sense of cultural differences in competency utilization, it is not clear how global leaders can use different competency elements when executing management across multiple countries. Third, the mechanism for the demonstration of competency by global leaders remains unclear. Lastly, it eliminates the context in which global leaders exercise leadership and misses the impact of context.

The competency approach is faced by the above issues, and this may be one reason why the aforementioned global management issues in Japanese companies remain unresolved (Shimada, 2016).

#### Unique context facing global leaders in Japanese companies

As one of the unique context for the global leaders in Japanese companies, this section focuses on the characteristics of organizational principles of head office in Japan and overseas subsidiaries. Ishida (1982; 1999) has categorized the Japanese type as a J-type way of thinking about job duties and organizational principle model in correspondence with the non-Japanese way of thinking about job duties and organizational principle model as F (foreign) type. J-type defines that the scope of duties and responsibilities of each member is purposely vague. On the other hand, F-type defines that the scope of duties and responsibilities of each member is clearly defined.

Basically, the organization principle is J-type for the head office in Japan and F-type of the overseas subsidiaries in Japanese companies. Therefore, global leaders in Japanese company face the gap in these organizational principles. Inevitably, the leadership style that works in head office in Japan may not work in overseas subsidiaries. Here, this is where the unique ingenuity of global leaders in Japanese companies is necessary. In other words, it is thought that there might be a way to bridge the gap between the two organizational principles.

#### Method

#### **Construction of analytical framework**

The important point clarified through the previous research review is that it is implicitly assumed that a global leader is universal. Furthermore, it was revealed that the previous research does not see the actual behavior of the global leader. That is, the process by which global leaders demonstrate leadership has not been sufficiently clarified.

To address this shortcoming, we intend to use an empirical approach to establish a framework to analyze how global leaders demonstrate leadership of global members in the context of Japanese companies.

Exploring how the global leaders in Japanese companies act in collaboration with global members and how their actions and initiatives were devised is analyzed.

## Analytical level

The analytical levels adopted in the present study are briefly outlined below.

In line with previous global leadership and leadership research, we focus on individuals. However, the individual in this study is a global leader in a Japanese company, which differs from the universal global leader examined in the previous research.

We do not rely on the implicit leadership theory which has been developed in previous studies. We can say that the point of relying on the home country of the global leaders themselves is one of the novelties of this paper.

We focus on the behaviors of global leaders. Prior research has confirmed that exploration of competency is a major area of focus, however, we have also discussed the limitations to that approach. Therefore, we pay attention to the behaviors of global leaders that have received scant attention to date. This point can also be said to represent one of the novelties of this paper.

We emphasize the context in which leaders operate. Global leadership research so far has undermined the context in which its global leaders are located, with universality as an implicit premise. As mentioned previously, there are limitations inherent in this approach. Therefore, we particularly focus on context in this research. This point also represents one of the novelties of this research.

## **Analytical framework**

The analytical framework in this research is shown in the Figure 1 below. From the discussion so far, the context of the home country of a global leader is thought to influence the behavior of the global leader. Therefore, we analyze the process whereby leadership is demonstrated starting from the context of the home country of the global leader in this research.

Global leaders' behavior is also influenced by the context of the members as a matter of course, as discussed variously in previous research. Global collaboration is made possible through global leaders' actions and initiatives, leading to the achievements of global management as a result of these interactions. This paper analyzes this series of processes.

#### Survey design

This research uses the characteristics of its research subjects to explore the dynamic process through which leadership is demonstrated. It is an essential condition for selecting a survey method that we can grasp the dynamic process appropriately from the characteristics of the research subjects. A qualitative method and a case study are selected as a survey method satisfying these conditions.

# Brief overview of the case study: Appropriateness of the survey target

The case study is aimed at grasping how global leaders demonstrate leadership by very detailed and

profound information obtained about the phenomenon and analyzing its structure and processes deeply. Therefore, a relatively small number of survey targets are selected, and information on qualitative data is collected. We surveyed a person who has cooperated with members of several countries several times in the IT department in a Japanese manufacturing company for this reason.

Based on the above, it was judged that this case study is appropriate as a survey target representing this research purpose.

## Method of collecting data in the case study

A qualitative method with a case study is adopted in this research. The data collection method used in the case study is diverse, and should be based on research objectives and items in the case study. The case study is not limited to qualitative methods, and quantitative research may be used. However, we have not adopted a survey research method such as the distribution of questionnaires due to the nature of this analytical purpose of tracing the process of leadership behaviors.

The method of collecting concrete data of the case study is an interview survey by the author. An interview was conducted on February 26, 2017. The interview duration was about ninety minutes. The interview was recorded on an IC recorder with the consent of the interviewee and was later converted to text. Journal articles and books on target companies were also referenced to help with analysis.

#### Analytical method

In qualitative research, it is sometimes observed that it is not known how to draw a conclusion from the available data and information, and analysts' bias is applied to the question of how to retrieve and interpret data (e.g., Gibbert, Ruigrok & Wicki, 2008). Specific



Figure 1. Analytical framework created by author.

criticisms include the possibility of discarding incompatible or exceptional data or arbitrarily selecting convenient data from the full data set. These problems, that are prone to occur in qualitative research, should be avoided as much as possible. Grounded Theory Approach (GTA) is used as an analytical method applied to the data collected in this research in order to avoid these methodological pitfalls (Glaser & Strauss, 1967; Strauss & Corbin, 1990).

The purpose of GTA is to interpret deeply and extract meaning from data, and to conceive ideas therefrom. Of course, concepts and ideas do not immediately appear from the data, but through interpreting the data and replacing it with concepts and categories, ideas are generated. Finally, the analytical results are summarized from mutual relations. Data is read in accordance with the research theme "global leader behavior in Japanese companies" and the analytical viewpoint of "leadership processes" in this research. It does not analyze data by slicing the data although this study refers the analytical method of GTA. The reasons are as follows.

The slicing the data required in original GTA is not performed, since this research focuses on the context in which the global leader was originally placed. We examine data in the context and consider how people perceived and how acts precipitated there, factors concerning them—that is, adopt Modified Grounded Theory Approach (M-GTA)—which allows us to emphasize the context and not be required to slice the data with regard to the global leadership process (Kinoshita, 2007).

We do not perform the analysis until theoretical saturation by obtaining multiple interviewees has been completed. Therefore, it may not be said that the present study is formally using GTA or M-GTA, but we analyze using M-GTA technique in this research since the use of the technique as the first step in the exploratory analysis does not disturb the purpose of this research.

## **Analytical procedure**

We introduce the generation process of one concept as an example analytic worksheet in Table 1, describe how to interpret the data, compare the similar example with the counter example and examine the data in order to show the specific analytical procedure.

This is an example of introducing an ERP software package developed in Singapore to a sales company in Korea. Although it was introduced several years ago to another Korean sales company, this time it was introduced to another company. However, Korean employees of a company that has already installed (company A), a newly introduced company (company B), and the Indian developers who had been employed by the Singaporean company (company C) were not communicating successfully, and the Japanese global leader intervened and supported these parties.

First, employees of company A had received training and education a few years ago, and carried out operations as usual since then. They had little understanding of specification changes and institutional changes since their initial training. Therefore, what the Japanese global leader did first was retraining the employees of Company A:

# I told him that the way to perform this task has changed from the way taught during his initial training.

On the other hand, communication did not proceed smoothly between Korean workers. Inconsistencies occurred because they did not actively understand and analyze the difference between company A and company B. The Japanese global leader has focused on making them aware of each other's differences to avoid further inconsistencies:

## I promoted discussion to share the examples so as to deepen mutual understanding.

Originally, the Japanese global leader would like to see these issues being addressed by the Indian engineer from company C, but the engineer is accustomed to carrying out his job as a professional in accordance with the scope of work given. The engineer most likely thinks that the differences between company A and company B should be discussed between the two companies themselves. Therefore, the Japanese global leader took the following actions to the engineer from company C: Table 1. Example of the analytic worksheet created by author

Concent: 2 Ungo shange
Concept: 3. Urge change
Definition:
Encourage overseas staff who do not currently act outside their defined scope of duties
to extend their work scope for the benefit of the organization as a whole
Specific examples:
- I told him that the way to perform this task has changed from the way taught during
his initial training.
- I promoted discussion to share the examples so as to deepen mutual understanding.
- Since the opinion that he tries to do better would not come out, I have to ask him a
question one by one.
Theoretical memo:
- Re-teaching, update
- Ask a question for partner who only carries out what was said
- How will he find that point?
- Are there members who are carrying out tasks beyond the scope of their duties?

Since the opinion that he tries to do better would not come out, I have to ask him a question one by one.

What we can tell from these things is that it is common to all three companies that they have a view solely focused on their own duties, and other methods or new proposals are seen as totally voluntary. The Japanese global leader spends significant time and effort in encouraging the sharing of views and responsibilities.

This is the essence of the concept of "urging change." In other words, the Japanese global leader is trying to eliminate existing frameworks, such as existing ways and the scope of their duties, by encouraging change among global members.

As a result of organizing the actions of Japanese global leaders in this way, 15 concepts were extracted. Although a detailed explanation of the extraction process is impossible to show for all concepts due to space constraints, these concepts have been extracted through a similar process.

## Survey issues in this survey

As an investigation of the process of a global leader in a Japanese company working in collaboration with global members, questions were raised such as what was the most difficult issue encountered, how did s/he solve it, how was the solution arrived at. We performed interviews to answer these questions. Interviews were conducted based on pre-prepared scripts. Specifically, the following questions were asked: (1) difficulty in working with global members; (2) process that demonstrated leadership; and (3) ingenuity for demonstrating leadership. However, in the actual interview, based on such a question list, a semi-structured interview was conducted on an exploratory basis.

## Findings

## **Results of analysis**

We present the data collected while relying on the research design revealed so far. In addition, it would be best to show the pathway to interpret and conceptualize these data in detail, but this has been omitted due to space limitations. We show the results while showing the results diagram in Figure 2. There are two methods to describe the analytical results by M-GTA: concept explanatory description and phenomenological explanation (Kinoshita 2003). We will show the results by phenomenological explanation due to space limitations.

The details about how the concepts are derived have been discussed earlier, and thinking about the relationship between these concepts is the next step in this analysis. Normally, a certain number of conceptual relationships are organized and then sorted into categories, but in this paper, we do not take that step. This is because this study is an exploratory analysis and it would be premature to perform such classification. The processes that are revealed are visible without categorization in this analysis.

It became clear that how the global leader in Japanese companies exercises leadership of global members was initiated from their grasp of the situation. The problem can be clarified based on their understanding of how to proceed and how to work at the company headquarters in Japan, not only grasping problems at each site, but also based on the assumed direction of system changes in the future.

As a next step, devising collaboration with global members is implemented. It takes a considerable amount of time and ingenuity. Furthermore, when implementing global collaboration, it not only has a oneto-one relationship between members and global leader but also mediates communication among members of different countries.

Through the global collaboration, key persons were fostered at each site at the same time. This calls for behaviors and ingenuity that are different from each domestic leader. In other words, sharing of each context which is not necessary in a country is not straightforward at first glance to achieve the goal, and behaviors that look like a detour, but it was shown that Japanese global leader is particularly focused. This could be regarded as a characteristic feature of Japanese companies that are not emphasized much by the universal type global leaders assumed implicitly in previous research.

In summary, we have hypothesized that global leaders of Japanese companies are trying to share the context by collaborating with global members. This would represent a different aspect of the global leadership style of aiming directly towards the organization's objectives, which is typical of how global leaders behave. At a glance, this behavior appears ambiguous, but it is characteristic of Japanese global leaders. Context sharing is thought to deepen the understanding among global members, and it can be said that it is one of the important behaviors required of global leaders.

## Discussion

The above analysis suggests that the behaviors of Japanese global leaders can be illustrated as follows. The global leaders in Japanese companies grasp not only the situation at each site, but also the circumstances of their respective headquarters in Japan, and



Figure 2. Result diagram created by author

understand the gaps between them, devising and implementing measures for collaboration. These actions are based on context sharing. In other words, as a result of exploratory analysis in this research, global leaders in Japanese companies do not execute strategies systematically or immediately by issuing orders to global members. It is suggested that Japanese companies' global leaders are trying to share context by collaborating with global members.

The context of one's home country for a global leader is the manner of doing work that prevails in that home country, as mentioned earlier. The context of the members that global leaders in Japanese companies face is the differences in organizational principles and way of thinking about job duties. Based on these differences, global leaders' behaviors are concerned with understanding these gaps, and their initiatives are implemented through advances in communication (for example). The outcome is not only the success of the project, but also the human resource development of key persons at each site.

## Conclusion

We would like to reorganize the research significance of the global leaders in Japanese companies here.

It is pointed out that cultural, historical, and social contexts such as Japanese companies and Japanese society should be considered as the foundation for research, in contrast with existing leadership and global leadership research which has abandoned the organizational context.

When we understand the organizational context, it is said that the context in which global leaders face in Japanese companies has the following characteristics. The behavior to overcome the differences in various organizational principles is required for global leaders in Japanese companies. This ingenuity has not been extracted as a feature in the research on universal global leaders. It has been suggested that global leaders in Japanese companies who experienced this difference devise various contrivances based on the sharing of context. The global leadership research on Japanese companies does not suggest that we should follow a universal global leadership style without question. Instead, we should clarify the unique features of global leaders in Japanese companies. From this perspective, a new global leadership style that is not seen in universal global leadership research can be derived. By clarifying the characteristics of global leaders in other countries, international comparisons of global leaders would lead to sublation and deepen understanding of global leaders.

## **Theoretical implication**

In summary, the existing research implicitly assumes that global leaders are universal. It can be understood from the research that it is global leaders who know the differences between partner countries and how to respond to these differences. However, it is possible to present a hypothesis that we can grasp different aspects of global leaders depending on their home countries, and this can provide new perspective to global leadership research.

#### **Practical implication**

Globalization is said to have been a key management issue in Japanese companies. One reason for this might be the uncritical acceptance of universal type management theory. It can be suggested that we should rethink global leaders' identification and training in practice based on this point of view.

#### Limitations

The generalization possibility for the present study is still relatively low because it comprises a single case study. We will accumulate further interviews with multiple global leaders and perform quantitative analysis by questionnaire surveys, since a certain direction is founded by this exploratory research. We would also like to conduct this survey not only in Japanese companies but also in another country if possible. Conducting an international comparison would make it possible to explore new global leadership styles through sublation.

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