

A Study on the Difference in Leadership Recognition in Korea vs China: Focusing on Questionnaire Survey

Jae-Boong Kim*, Soon-Ho Park and Sung-Duk Kang

Department of Business Administration, Korea National University of Transportation, South Korea;
jbkim@ut.ac.kr, gugj482@naver.com, sd21kang@naver.com

Abstract

Background/Objectives: This study attempted to identify the competence level of supervisors among firms in Korea and China. This study is expected to help raise capabilities to be a great leader by identifying excellent competencies required for leaders and their lacking capacities. **Methods/Statistical Analysis:** This study applied frequency analysis and statistical methods of percentage to understand leadership perception as well as sex, working department, class, and work experiences. This study performed a survey to test the research model, with respondent samples extracted using convenience sampling method. Survey period was 20 days from November 1, 2015, with 100 personnel in manufacturing industry as samples. **Findings:** This study systematically analysed factors set out in previous research to investigate leadership capabilities of the supervisors in firms of Korea and China. Based on this, a total of 13 factors were derived. With the derived factors, a survey of excellent capacities and lacking competence in supervisors was conducted using Likert 5-point scale. For Korean corporations, findings indicated that superior leadership competencies of supervisor are development of subordinates, goal setting capability, trust forming, creativity, and insights, while they were in order of creativity, challenge, expertise, and communication skills in Chinese corporations. Different from Korea, the leadership capability lacking in supervisors included professionalism, ability to set a goal, and communication skills in Korean companies, whereas it included ability to foster subordinates, determination (communication), professionalism, and trust formation in Chinese companies. **Application/Improvements:** The results of this study seem to help raise capabilities to become a great leader by identifying excellent competencies required for leaders and their lacking leaders.

Keywords: Capability, Competency, Leadership, Leadership Recognition, Questionnaire Survey

1. Introduction

Rapid development of ICT is leading to various changes. Different from the past, various businesses are being created utilizing ICT, with perception of ICT as an indispensable resource of great importance. However, utilization of ICT technology does not necessarily create corporate competitiveness. Human resource management is no less important. Initiative leader's role, which enables innovations in the society, is getting more important than ever. Today, in the era of convergence of technology, leader's role fulfilling such expectation is critical.

Unless a leader exerts his/her capability, his/her company would be weeded out of the market or fail to capture an opportunity toward a new market. In Xerox,

for example, its PARC Central Research Institute conducted research which was far distant from the company's business. PARC developed a massive destructive technology, but failed in commercializing it and finally led to the doing-nothing state regarding its outcome of technical development.

GUI, representative technology was developed by PARC, but its success in commercialization was achieved by Apple and MS. Also, PDF was developed by PARC, but manufactured and commercialized successfully by Adobe. Color monitor and WYSIWYG word processing were also developed by PARC and Ethernet was developed by Robert Metcalfe, who reported it to the then-president. But the president said that he would develop copy machined related technology and commer-

*Author for correspondence

cialize it. Subsequently, Robert Metcalfe was forced to found 3Com. Currently, this technology takes its place as a destructive technology. This suggests that it is important for a leader to have a right eye for the future and exert his/her capability properly^{1,2}.

Studies on leader, leadership, and leader's ability have been conducted a lot at home and abroad. Nevertheless, there are few studies on the comparison of difference in recognition of leader's capability despite its significance.

Accordingly, this study aims to identify the level of capability in supervisors of Korean vs. Chinese companies. By identifying what capabilities are excellent or lacking in a leader, this study is expected to be helpful for increasing capabilities for becoming a great leader.

This study, using both interviews and surveys, is expected to provide a benchmark of leadership competency in Korea and China, and help corporations in need of new leadership competency build such competency and leadership strategies.

2. Theoretical Backgrounds

2.1 Competency

Concept of competency was first introduced by White, an American psychologist, with its importance being recognized since 1990s, when American and European companies began adopting and utilizing competency concept as basic information of human resource management³. It was initiated by an attempt to resolve problems of rigidity issues of job-focused human resource management method, and recently began finding its place as a basic concept of human resource management; for example, it is adopted as criteria of evaluation and compensation^{4,5}.

2.2 Leadership Capability

In⁶ was first used as human trait⁷. In the 1960s to 1970s, capability theory has appeared that success or failure in job performance or in one's life needs to be analyzed as capability that may encompass various aspects of human ability because it cannot be predicted with one's own intellect or aptitude⁸. Introduced the concept of capability into the development of human resources for the first time and asserted that capability is a behavioral trait that one can perform one's duty successfully in order to achieve the values or visions that an organization pursues.

Putting the definitions of capability by precedent researchers together, it can be said that leadership capability is an underlying characteristic that consistently appears in high performers who produce excellent results and that it is comprised of motive, property, self-conception, knowledge, and technology. Capability can also be seen as a concept that reflects situation because it means characteristics or behaviors necessary or appropriate for organization members to perform particular tasks as effectively as possible⁹.

Concept of leadership competency analyzed based on existing studies is as follows:

- Expertise includes possession and degree of utilization of professional and general knowledge.
- Problem solving capability is a competency of being able to clearly identify nature and core of problems occurring in relation to business process.
- Development of subordinates is an ability to impress on subordinates the image of right people through motivation, guidance and discussions regularly.
- Goal setting capability is an ability to be fully aware of entity-wide and departmental business goals.
- Forming trust refers to establishing atmosphere of mutual trust and understanding by maintaining consistency of words and actions and trusting decisions or judgment of subordinates.
- Leading by example is an attitude that takes truthful initiative in compliance with company rules and pursuit of common objectives of the organization, and also serves as an example for others in human relationship.
- Future orientation refers to an attitude and behavior that pay attention to future changes for the purpose of company's permanent development.
- Challenge is an attitude of actively trying without fear of failure on difficult and demanding tasks, and striving to achieve the goal.
- Self development refers to an attitude of learning core and marginal functions diligently to meet the attributes of a model, and identifying, researching, and developing shortcomings and/or potentials.
- Communication skills refers to a capability of sharing information among members of an orga-

nization based on mutual respect, and delivering intention in consideration of the other party's characteristics.

- Determination (decision making) is a capability of clearly understanding senior manager's policy and department's goal, and deciding precise direction promptly based on concrete facts and information.
- Creativity is a capability of producing new way of thinking or ideas in performing duties without being confined to existing paradigms.
- Insight is a capability of taking appropriate approach by clearly identifying various conditions and policies or conversation and directions.

2.3 Previous Study

Leadership competency, of which elements are motivation, traits, self-concepts, knowledge, and skills, is a basic internal characteristic appearing in high performers generating superior performance. Furthermore, competency

can be diversely understood such as a concept reflecting conditions, because it represents characteristics and behaviors appropriate for effectively performing particular job.

In¹⁰ proposed entrepreneur's general capability model (a generic, cross-culturally valid competency) with seven elements including achievement of leader's capability, thought and problem solving, personal maturity, influence, order and control, other-orientation, and other capabilities and twenty two sub-elements¹⁰.

classified the leadership capability defined in the existing literature into four types: Cognitive, Behavioral, Emotional, and Motivational and reconstructed a total of 15 sub-capabilities into three categories: IQ, MQ, and EQ¹¹ conducted an interview with enterprises about manager's leadership capability and then made an empirical analysis by comparing and contrasting the capabilities that leaders who are excellent and those who aren't. As a result, they presented three competencies such as Emotional Competency, Cognitive Intelligence Competency, and Social Competency¹².

Table 1. Demographic characteristics

		Korea		China	
		Frequency	Percent (%)	Frequency	Percent (%)
Sex	Men	8	80	16	61.5
	Women	2	20	10	38.5
Ages	20	9	90		
	30	1	10	18	69.2
	40			7	26.9
	50~			1	3.8
Department	Office	2	20	19	73.1
	Production			2	7.7
	Sales			4	15.4
	Technical	8	80	1	3.8
Position	Employee	9	90	4	15.4
	Deputy	1	10	3	11.5
	Section Chief			15	57.7
	Department Head			4	15.4
Education Level	High School	1	10		
	College Degree	2	20	6	23.1
	B.A.	5	50	19	73.1
	M.A.	2	50	1	3.8
Working years	1~5	9	90		
	5~10	1	10	9	34.6
	10~15			12	46.2
	15~20			3	11.5
	20~			2	7.7

3. Research Methods

3.1 Subject and Instruments

This study performed a survey to test the research model, with respondent samples extracted using convenience sampling method. Survey period was 20 days from November 1, 2015, with 100 personnel in manufacturing industry as samples. Survey results of only 36 samples with sincere responses (proper for analysis) were used for statistical analysis out of 45 email survey respondents.

3.2 Demographic Characteristics

In the first place, the number of subjects of Korea is eight (8) males and two (2) females (10 in total) and that of China is sixteen (16) males and ten (10) females (26 in total). Those in their 20s were dominant in Korea, whereas those in their 30s were so in China. Korean subjects were mostly in technical post and research service and Chinese ones were largely in management position and clerical work. The position of Korean respondents was mostly employee and in case of China, respondents were largely in the position of manager or higher (Table 1).

4. Finding from Leadership Recognition Survey

4.1 Supervisor’s Leadership

The findings from leadership recognition survey are shown in Table 2.

Table 2. Supervisors leadership

	Korea		China	
	Frequency	Percent (%)	Frequency	Percent (%)
Yes	5	50	24	92.3
No	5	50	2	7.7
Total	10	100	26	100

Frequency of response that there is leadership in supervisors for Korea and China was 50% and 92.3%, respectively. This suggests that supervisor’s leadership in Chinese corporation is superior to that of Korean corporation. It is suggested that supervisor’s leadership is higher in Chinese companies than in Korean ones. This

indicates that leaders in Chinese companies are higher in leadership than those in Korean companies.

4.2 Excellent Leadership Capability in Supervisors

For Korean corporations, findings indicated that superior leadership competencies of supervisor are development of subordinates, goal setting capability, trust forming, creativity, and insights, while they were in order of creativity, challenge, expertise, and communication skills in Chinese corporations. Different from Korea, it indicates that leadership competencies of a supervisor in China are evenly distributed in general (Table 3).

Table 3. Excellent leadership in capability

	Korea		China	
	Frequency	Percent (%)	Frequency	Percent (%)
Expertise	1	6.7	9	12.5
Problem solving capability	0	0	0	0
Development of subordinates	3	20.0	6	8.3
Goal setting capability	2	13.3	2	2.8
Forming trust	2	13.3	6	8.3
Leading by example	0	0	5	6.9
Future orientation	0	0	1	1.4
Challenge	0	0	9	12.5
Self Development	1	6.7	4	5.6
Communication skills	1	6.7	7	9.7
Determination	1	6.7	6	8.3
Creativity	2	13.3	15	20.8
Insight	2	13.3	2	2.8
total	15	100	72	100

In the first place, Korean company’s ability to foster subordinates ranked 1st due to excellent leadership capability. This result seems to be attributable to Korean organizational culture. In general, Korean organizational culture tends to encourage subordinates to foster their capabilities by presenting goals and visions to them because growth is set as a springboard for their development. The higher the subordinates’ capabilities are, the

outcome of an organization increases, which finally will have a profound impact on the growth of an organization.

Also, ability to set a goal, trust formation, creativity, and insight ranked 2nd. In the ability to foster subordinates which was ranked 1st as well, the ability to set a necessary goal is a very important factor to leaders. What is important among the roles of a leader is to give a clear sense of purpose to subordinates.

Trust formation can also be said as very important. If there is no trust in a leader, an organization wouldn't be led well. Like the findings from various preceding studies indicating that the higher subordinates trust in their leader, it may have a positive impact on organizational performance and job satisfaction, trust is above all important. This is why trust ranked 2nd. Also, creativity and insight were drawn as important factors. In this uncertain situation like the present, an insight to see the future exactly is required and to do so, creativity also plays an important role.

In Chinese companies, creativity ranked 1st. China now stands as the world's second-biggest economy. In particular, it has grown a lot in all fields based on capital strength and outstanding workforce. Particularly in Chinese companies, creativity was put first as superior capability to leaders.

It is also true for the case of Chinese software company Xiaomi, once called as the "Mistake of the Continent." Xiaomi is of course stigmatized for being a fake iPhone or copycat by smartphone, but its drive force that it launched various cheaper products such as second battery and Mi Band and dominated the market stemmed from the creativity. Besides, various Chinese companies are successfully entering the world market. This is why creativity seems to emerge as the most important factor above others.

Challenging spirit and professionalism ranked 2nd. Chinese companies have recently been growing rapidly and repeatedly. China is regarded as the land of opportunity because what is important in addition to creativity is challenging spirit. China's cultural background that they are not afraid of failure unlike Korea makes challenging spirit more important than any other factors.

Ali Baba's case wouldn't appear if they were afraid of failure. Ali Baba's current picture is because of its continuous attempts with challenging spirit. Professionalism is also very important. If they held leadership capability without professionalism in the field, they would not likely to succeed. This is why challenging spirit ranked 2nd, like challenging spirit.

Communication skills ranked 3rd. One of the important things in leader's capability is the very communication skills. Communication skills is an ability to help solve or negotiate various problems occurring between members within an organization. Communication skills is an important ability in running a company and Chinese companies also think personal connections, which is an emotional communication in addition to general communication important. This is why communication skills ranked 3rd.

4.3 Leadership Capability Lacking in Supervisors

The leadership capability lacking in supervisors included professionalism, ability to set a goal, and communication skills in Korean companies, whereas it included ability to foster subordinates, determination (communication), professionalism, and trust formation in Chinese companies (Table 4).

In the first place, in Korea, as leadership capability lacking in supervisors, professionalism, communication skills, and ability to set a goal ranked 1st.

This result seems to be attributable to Korean company's organizational culture. Korean companies are mostly large enterprise-oriented. Of course, it wouldn't be no problem if one starts a company from the beginning and operates a business to one's major field in running a company.

But it is possible to take over another company or run a company successfully with an idea only without professionalism. In this case, corporate growth can be guaranteed to some extent, but to make a company grow further, professionalism in related fields needs to be held. The ability to set a goal is also very important. Previously, I mentioned about outstanding leadership capability for supervisors, but giving a clear sense of purpose to subordinates for corporate growth is necessary. To do so, leader should have an ability to set a clear goal that he/she wants to do.

In China, ability to foster subordinates and determination (communication) appeared as lacking. The reason seems to be attributable to China's corporate characteristics. Unlike in Korea, people are highly individualistic in China although both have the same oriental culture. They are not fostering subordinates to go with together but operating a company at owner's will.

Also, they lack decision in decision making, which means that they are wavering in their determination

at important moments of decision making. This result seems to be because Chinese companies are not taught properly about leadership because they grew rapidly after the market opening.

Table 4. Leadership capability lacking

	Korea		China	
	Frequency	Percent (%)	Frequency	Percent (%)
Expertise	3	20.0	1	16.7
Problem solving capability	1	6.7	0	0
Development of subordinates	2	13.3	2	33.3
Goal setting capability	3	20.0	0	0
Forming trust	0	0	1	16.7
Leading by example	0	0	0	0
Future orientation	1	6.7	0	0
Challenge	0	0	0	0
Self Development	0	0	0	0
Communication skills	3	20.0	0	0
Determination	1	6.7	2	33.3
Creativity	1	6.7	0	0
Insight	0	0	0	0
total	15	100	6	100

4.4 Leadership Capability Necessary for Respected Leader

Findings show that determinants of competencies required for respected leaders are expertise, communications skills, and determination in Korea. In case of China, they were determination, development of subordinates, and leading by example (Table 5).

Professionalism, communication skills, and determination appeared as important factors in Korea. For becoming a respectful leader, professionalism in relevant fields is important. Professionalism is important because specialized skills or experiences, among other conditions, are required in the related fields in order to lead a company. In foreign countries, founder and professional manager are different in most cases, but in Korean com-

panies, founder operates a company for the most part. This is why such a result seems to come out.

Communication skills among organizational members and determination in decision making are also important factors. Like in recent years, in economic instability situations around the world, determination is particularly important.

Decision making is very important in various fields: When would it be good for investment? Should I go in this direction? or Should I modify in other directions? Many companies disappeared into the mists of history due to false decision. Take smartphone market as an example. Motorola and Nokia couldn't respond to the smartphone market properly and finally lost their competitiveness in the market and disappeared.

In China as well, determination appeared as important capability. When facing uncertain situations, right decision making is very important. Determination for making a right decision is one of the ways to save a company facing a dangerous situation. Such determination of a leader comes from belief and courage, and in difficult situations, a leader should have courage and determination to be responsible for everything.

The ability to foster subordinates ranked 2nd. At this point when Chinese companies are growing rapidly after the market opened, it seems necessary to have a strategy to focus on the development of subordinates' capability and ability. Creating such an environment is necessary in order to ultimately maintain its growth although it is growing externally. This is why such a result comes out.

Taking the initiative and setting an example is also an important capability. For a leader to set an example so that he/she can serve as a model for others is important in operating a company. Like this saying, "Do as you would be done by," leader can be acknowledged if he/she can put him/herself into action earlier than others. Through this acknowledgement, leadership to lead a company well can be exerted well.

5. Conclusions

In this fierce environment like in the present times, companies are racing for growth a lot. For this, they are continuously investing in research and development, but they have limitations in growth due to the worldwide economic slump. In this era, people have more interests in leadership to lead a company than in the past. Leader's

capability that one great leader can control a company's growth has become more important at this point.

Table 5. Leadership capability necessary for respected leader

	Korea		China	
	Fre- quen- cy	Percent (%)	Fre- quen- cy	Percent (%)
Expertise	7	14	13	10.0
Problem solving capability	6	12	7	5.4
Development of subordinates	2	4	19	14.6
Goal setting capability	4	8	7	5.4
Forming trust	2	4	12	9.2
Leading by example	4	8	17	13.1
Future orientation	3	6	1	0.8
Challenge	2	4	3	2.3
Self Development	0	0	1	0.8
Communication skills	7	14	13	10.0
Determination	7	14	21	16.2
Creativity	4	8	12	9.2
Insight	2	4	4	3.1
total	50	100	130	100

This study performed comparison survey for perception of leadership in Korean and Chinese corporations. Findings suggests that there is difference in perception of leadership between Korea and China. Both Korea and China devote efforts to survive in rapidly changing environment of competition. Especially, Korea has reached a world-class level in ICT industries (smart phones, semi-conductors, etc.). This suggests that a leader, different from the past, needs to possess expertise in respective area, and that communication skill is the most important factor to lead an organization. Furthermore, leader's will, i.e., determination, is much-needed in the state of uncertainty of future economic conditions as it is now.

China is vigorously going after Korea, and has reached status capable of surviving global competition in some industries, overcoming the status of merely subcontracting global corporations. Especially, China is in different condition from Korea because of its abundant domes-

tic demands. From these, it showed that determination, a leader's will, is very important determinants, and that capability of developing subordinates are necessary. Furthermore, findings present that leading by example, which refers to showing behavior that provides a model for members of the organization, is an important factor.

The implications of this study are in that this study found the difference in leadership recognition in Korea vs. China. The factor that has an impact on organizational growth and performance in general is the very leadership. If there is any difference in leadership recognition between both countries, leadership capability to adjust to other country rather than the capability to be done in own country is necessary if aiming at entering into the other country and this is expected to be used as practical guidelines to reflect this properly. However, this study would have limitations to generalize it because the target of questionnaire survey is too small, and further studies are needed to make an additional configuration of the survey by considering various variables.

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