

MANAGEMENT DECISION STYLES: A CROSS-CULTURAL PILOT STUDY

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Introduction

This research looks at the style of decision-making used by managers in different socio-cultural environments. The managers surveyed were from Japan, Korea, USA, Northern Ireland, and the Republic of Ireland. In this initial study, albeit with small groups of managers, a number of interesting differences emerge which suggest the need for further and larger scale studies of the phenomena involved.

The Management Decision Styles Inventory

The instrument used to measure differences in the value systems underlying managers' decision-making was developed by Rowe (1974, 1977, 1982). For a description of its development and validation see Rowe and Boulgarides (1983). It is based on the cognitive-contingency decision style model shown in Figure 1. Combining an individual's cognitive complexity

Figure 1: The Cognitive-Contingency Decision Style Model

		Left (Task brain Oriented)	Right (People brain Oriented)
<i>Cognitive Complexity</i>	Tolerance for complexity (Thinking Oriented)	Analytic logical abstract thinker	Conceptual broad spatial creative thinker
	Need for Structure (Action Oriented)	Directive focussed rapid results	Behavioural support empathy listens
		Technical	Social
<i>Personal Values</i>			

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with personal values gives four distinctive decision styles — Directive, Analytic, Conceptual and Behavioural.

The individual with low-tolerance for cognitive complexity tends to see the world in terms of a few or rigid rules of information processing and has a very high need for structure. The high cognitively complex individual is adept at integrating diverse cues and has a high tolerance for ambiguity.

Under personal values a more focussed individual will generally prefer technical or task-oriented environments. An individual with a broader perception will tend to prefer more social or people-oriented environments. Setting the model out as it is in Figure 1 shows that the technically oriented individual is what is termed as a left brain, logical and analytical person. Similarly the broader-oriented individual corresponds to what is termed as a right brain, conceptual and empathetic person.

The development of this line of reasoning can be traced through the researches of theorists such as Harvey (1961), Shroder (1967), and Driver (1975). For further discussion of the implications of the left brain, right brain phenomenon see Springer and Deutsch (1981).

In Figure 1 the four quadrants are categorised as Directive, Analytic, Conceptual, and Behavioural, respectively. Individuals falling within the *Directive* category would tend to have a low tolerance for ambiguity and prefer structured situations. They have a tendency also of focussing on technical problems. Power and tangible rewards for their efforts are sought by them. They tend to be aggressive and authoritarian and focus internally to the organisation with short range and tight controls. Though they emphasise speed and action and use limited information and consider only a few alternatives, they do achieve results. In contrast, the *Analytic* person has a high tolerance for ambiguity, uses considerable information, looks carefully at many alternatives, enjoys solving problems, seeks to optimise solutions, and is rigorous in such solutions. The *Conceptual* type similarly tends to consider many alternatives, take a broad, systems perspective, is future oriented, and values quality and openness. They prefer to share goals with subordinates. They are high achievers and are highly creative with strong organisational loyalty, but they do need praise and recognition. They prefer loose control to power and enjoy interacting with other. Finally, the *Behavioural* types are supportive, empathetic people who make good listeners, have a deep concern for their colleagues, prefer meetings to reports, arrive at decisions on limited data and have a strong need for a affiliation.

No manager fits exclusively into any one of these categories. However, one or more style tends to dominate with one or more back-up styles.

Method

Five cultural groupings of business managers are the subjects of this study. The Japanese sample (n=16) was collected at a University of Southern California management programme. The Korean sample (n=14) was drawn from an international business executive seminar at California State University, Los Angeles. The USA sample (n=71) was gathered in a research study at the same university (Boulgarides, 1985). The Northern Ireland sample (n=17) and the Republic of Ireland sample (n=12) were drawn from a joint Industrial Development Programme for senior executives at the University of Ulster at Jordanstown and at University College, Dublin. Table 1 shows the average age and educational attainments of the three samples.

Table 1: Sample Size, Average Age and Education of Japanese, Korean American, Northern Ireland (NI) and Republic of Ireland (ROI) Managers

	Japan	Korea	USA	NI	ROI
Sample Size (n)	16	14	71	17	12
Average Age	na	37	39	44	42
Education:					
High School	na	3(22%)	23(32%)	8(47%)	6(50%)
Bachelors	na	9(64%)	27(38%)	6(35%)	3(25%)
Masters	na	2(14%)	10(14%)	3(18%)	3(25%)
Doctors	na	0	11(16%)	0	0
Total		14(100%)	71(100%)	17(100%)	12(100%)

Comparison of Decision Styles

A comparison of the management decision styles scores is given Table 2. Tables 3 to 6 uses the Japanese manager as the base and compares each of the other countries' managers in turn with it to establish an order of relatedness.

Table 2: Comparison of the Decision Style of the Japanese, Korean, N. Irish, and Southern Irish managers

Decision Style	Japan (n=16)	Korea (n=14)	USA (n=71)	NI (n=17)	ROI (n=12)
Directive	71	75	78	80	77
Analytic	76	80	86	86	81
Conceptual	85	80	75	80	87
Behavioural	68	65	61	54	55
Total	300	300	300	300	300

Table 3: Japanese vs Korean Managers

Decision Style	Japanese (J) (n=16)	Korean (K) (n=14)	(K) - (J)
Directive	71	75	+ 4
Analytic	76	80	+ 4
Conceptual	85	80	- 5
Behavioural	68	65	- 3
Total	300	300	0

Table 4: Japanese vs American Managers

Decision Style	Japanese (J) (n=16)	American (A) (n=71)	(A) - (J)
Directive	71	78	+ 7
Analytic	76	86	+ 10
Conceptual	85	75	- 10
Behavioural	68	61	- 7
Total	300	300	0

Table 5: Japanese vs N. Irish Managers

Decision Style	Japanese (J) (n = 16)	N. Irish (NI) (n = 17)	(NI) - (J)
Directive	71	80	+ 9
Analytic	76	86	+ 10
Conceptual	85	80	- 5
Behavioural	68	54	- 14
Total	300	300	0

Table 6: Japanese vs S. Irish Managers

Decision Style	Japanese (J) (n = 16)	S. Ireland (ROI) (n = 12)	(ROI) - (J)
Directive	71	77	+ 6
Analytic	76	81	+ 5
Conceptual	85	85	+ 2
Behavioural	68	55	- 13
Total	300	300	0

The Japanese are the least *Directive* followed by the Koreans, then the Southern Irish and the Americans with the Northern Irish being the most *Directive* group. The Japanese put least value on the *Analytic* with the Northern Irish and Americans valuing it most. In terms of the *Conceptual* the Japanese come second highest to the Southern Irish with the Koreans and Northern Irish giving equal value to it and the Americans holding it in least regard.

The most significant differences appear in relation to the *Behavioural* values. Whereas the gap between the highest the lowest for *Directive* is 9 points, for *Analytic* is 10 points, for *Conceptual* is 10 points, for *Behavioural* it is 14 points. The Japanese followed by the Koreans value the supportive and empathetic approach most with the Irish, North and South, valuing it least and the Americans midway between the extremes.

Similarly relatedness tables can be prepared for each country in turn. However, for present purposes only one more is included here, that between the Republic of Ireland and Northern Ireland (Table 7).

Table 7: South Irish vs North Irish

Decision Style	S. Irish (ROI) (n = 12)	N. Irish (NI) (n = 17)	(NI) - (ROI)
Directive	77	80	+ 3
Analytic	81	86	+ 5
Conceptual	87	80	- 7
Behavioural	55	54	- 1
Total	300	300	0

The Southern Irish managers appear to be somewhat less *Directive* than the Northern Irish. They certainly seem to value the *Behavioural* attributes as little as the Northern Irish do. The interesting differences lie with the *Analytic* and *Conceptual* concepts. The Southern Irish managers appear in this sample, albeit small, to be more *Conceptually* oriented than their Northern counterparts who score notably in the *Analytic* area.

In terms of Figure 1 the five groups show up as follows:

Figure 2: Decision Styles

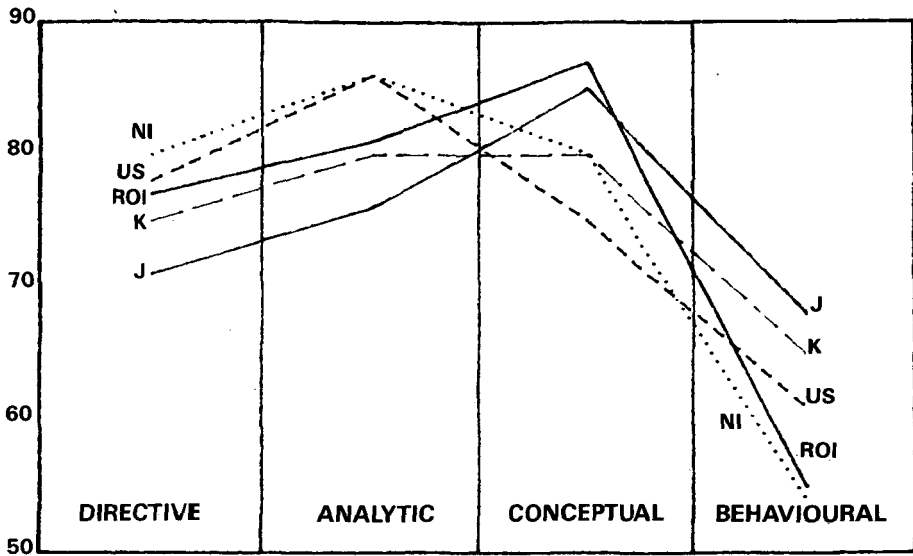


Figure 3: Comparison of Managers' Orientations in relation to Personal Values and Cognitive Complexity

S. Irish				N. Irish			
		Task Oriented	People Oriented			Task Oriented	People Oriented
Thinking Oriented	168	81	87	166	86	80	
Action Oriented	132	77	55	134	80	54	
		158	142			166	134

Japanese				Korean				American			
161	76	85	160	80	80	161	86	75			
139	71	68	140	75	65	139	78	61			
		147	153			155	145			164	136

Comment

Thinking Orientation

The Southern Irish appear to be most thinking oriented.

Task Orientation

The Northern Irish appear to be most task oriented.

People Orientation

The Japanese appear to be most people oriented, followed closely by the Koreans.

Action Orientation

Action orientation does not appear to provide significant levels of difference between the samples.

Conclusion

With the increasing importance of business conducted at international level it has become important to recognise cultural differences at the level of nations, at the level of organisations and at the individual manager level. The management decision style inventory described in this research may be of particular use in relation to understanding the value systems managers from different cultural backgrounds bring to bear in their decision-making. Futhermost, it may be useful in identifying national decision-making orientations. At a time when competitiveness between nations, particularly between the nations of the Far East and those of the West, is on the increase it is critical that competitor analysis take into account cultural differences. This study is put forward tentatively as a step in that process. It is limited in its significance by the sample sizes involved. Nonetheless it presents some empirical evidence concerning cultural orientations among the countries involved.

In terms of the *Behavioural* concept it is interesting to note that the countries of the Pacific Rim are so much more oriented in that direction than the countries of the North Atlantic. There may be a relatedness here to McGregor's (1960) Theory X and Theory Y model. It may be that managers from nations suffering under competitive pressure become less people concerned and more task and problem concerned. This research does not address these issues, but may be pointing the way for future productive research studies.

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