



# Being a successful leader: crossed perspectives

**Dragonfly Group and Ipsos** conducted two online surveys among senior executives and managers in China and Hong Kong to reveal the leadership needed for their fast-changing environments. Eric Tarchoune, managing director and executive coach of Dragonfly Group and Jean-Baptiste Aloy, senior vice-president of employee research at Ipsos, share the survey's findings.

Globalising companies have increasingly emphasised the importance of leadership, most often defined as "the ability of a person to influence others to achieve a common goal". Particularly in fast-changing environments like China in the 21st century, the fight for talented and experienced leadership can become a barrier to future business growth. Hong Kong, a

global platform for Chinese and multinational firms alike, plays a crucial role in numerous corporations' business strategies inside and outside China. Consequently, the leadership style within foreign and local corporations is a key competitive asset as well as a topic of increasing attention.

Dragonfly Group and Ipsos decided to partner in 2012 to investigate managers' perceptions

and evaluations of corporate leaders in China and Hong Kong. This unique research conducted over a period of 18 months provides insights regarding leadership competencies and practices in these two markets.

The sample population represents expatriate communities as well as local business leaders. The focus was placed on French companies in the Mainland China survey and foreign companies in Hong Kong.

Respondents were asked to choose the most important attributes to be a successful leader in their market, then to select statements they think apply most to their current company's senior management.

## Key finding for China: day-to-day operations come first

The China component of the leadership research programme reveals that organisational skills are highly valued and regarded as one of the main strengths of leaders there. Operational execution is also still vital to business success in today's China.

## Common strengths

Senior executives and managers in China and Hong Kong consider themselves and their peers to be result-driven and action-oriented. Both qualities are essential corporate requirements nowadays... as long as they don't lead to "short-termism".

Another common strength between leaders in the two economies is the ability to set priorities. Regarded as a key success factor (especially in China), ratings are favourable when it comes to actual practices.

## Common challenges

The key area for improvement in both China and Hong Kong is team building. It ranks among the top leadership competencies but implementation falls short in this area.

Team building is definitely not an easy task in Hong Kong and China where employees switch jobs frequently. According to HKIHRM's 2013 Manpower Survey, the overall average staff turnover rate in Hong Kong reached a record high level of 20.1 percent last year. The 2013 turnover rate in Mainland China is estimated to have been between 14 percent and 19 percent (16.3 percent according to a 51Job study cited by Xinhua News Agency).

How can you build a team when an average of one in five or six employees leaves the company frequently? Leaders have to realise that staff retention is not only a financial matter. Compensation and benefits are reasons why employees leave a company, but leadership, management behaviour and good practice should not be overlooked. This is particularly true in Asia where personal/team loyalty tends to be valued over corporate loyalty.

The downside of the emphasis placed on organisation would be that creativity is ranked at the bottom of leadership competencies in China. With the changing economy and the rise of value-added services, this has started to become a significant issue.

## Key finding for Hong Kong: it's about the vision

The Hong Kong component of the leadership research programme shows that senior executives and managers rate "strategic thinking and ability to communicate the vision" as the number one success factor out of 40 attributes.

The issue in Hong Kong is twofold:

- senior executives and managers admit "vision" is not what they are best at, and
- Hong Kong employees (interviewed in a separate survey) rate poorly their senior management's ability to communicate where the company is going. Less than 50 percent find they do a good job in this regard (there is a 17-point gap with Mainland China and a 13-point gap vs. APAC).

This is not only an internal concern. In the aftermath of the financial crisis, the strategic vision has become a key factor in attracting talent who need to have confidence in a

potential employer's future. Employees decide to join a company because they see good prospects. Having leaders thinking strategically and communicating their vision effectively is therefore a crucial element.

## 53 percent in Hong Kong selected "strategic thinking and ability to communicate the vision" as the top leadership attribute

As China is set to become the number one economy within the next five years, and its national companies compete more and more for talent with their foreign counterparts, it is of paramount importance for MNCs

(multinational companies) to build a local organisation filled with inspired, dedicated, loyal staff equipped with the right set of skills and behaviours.

With China's 35-year-old growth slowing down, new competencies are requested from managers to navigate new challenges. Key leadership attributes such as the ability to build effective teams and good communication skills are in high demand, yet still in short supply. Dragonfly Group and Ipsos's research results point out these potential gaps in both China and Hong Kong. The day-to-day drive for action and results should be balanced by longer-term "people" dimensions of leadership such as team building, staff attraction and development. **E**

## Top Leadership Attributes: what it takes to be a leader in ...

