



The Culture Divide and Bridging the Gap

Asian leadership from a Swiss perspective

by Marlene Uetz

People often ask me about particularities when dealing with Asian executives. My perceptions are based on my experiences of living in Asia, working for a Chinese corporation and being Managing Director of a Singapore company.

Say "Asia" to many Westerners and they think "China." Why? Because it is the world's second biggest economy, it has the world's biggest population, and it openly harbours global expansionist ambitions. It is easy to forget that Asia is a huge continent, the biggest of all in fact, with around 50 diverse nations, including the Middle East countries, India, Indonesia, Vietnam, Singapore, Malaysia, the Philippines, and Japan.

They have different sizes, forms of government, legal frameworks, religions, languages, cultures and subcultures and stages of economic development, much like Europe, the Americas and Africa. The continent's peoples too come in all shapes and colours, with different socio-economic backgrounds, talents, preferences, ambitions, personalities, and values.

Asia is heterogenous and like anywhere else, it comes down to the individual level. People can have more in common with someone on the other side of the world, from a completely different background, than with their own family members.

Comparing East with West, there are cultural and stereotypical differences, but I would rather focus on what motivates people and what we can achieve together if we have leadership with integrity, a common vision, mutual goals and shared values.

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Leadership defined

“A leader is just someone that others want to follow. But being that leader demands a clear and persuasive vision, a rational strategy and the ‘people skills’ to carry them to fruition.”

(Iain Martin, Chair of I.J. Martin & Co Ltd)

This is a universal concept. Who wants to follow someone with no sense of direction or purpose, someone with little integrity, who neither respects you nor listens and who treats others with contempt? Would you go the extra mile for them?

Excellent leaders create outstanding businesses, via their people. Therefore, we must enable them to be the best they can be. Effective leaders are capable of adapting their leadership styles to different situations, but the principles of leadership are always the same. And it is a universal truth that everyone wants to be treated fairly, including all stakeholders.

It is interesting though, that the perception of who is the leader can be different in Asia than in the West. Because the Western approach tends to think hierarchically, we generally define the leader as being the CEO. In much of Asia, however, the CEO and C-Suite are regarded as too remote. Most of the workforce may not even know their names. The Confucian consideration of the group, and their definition of the group as being their immediately identifiable colleagues, result in the de facto leader being the supervisor of the workgroup. One expat CEO leading a company in southern China found that 200 of his valued assembly workers left, literally overnight, because their supervisor had been ‘financially persuaded’ to move his team across the street to the competition. He led, they followed.

Looking at Asia through Western eyes

To cultural comparisons, I bring an empirical approach, based on my experience of living, studying and/or working with multinational corporations in Europe, Asia and the Americas. My observations below focus mainly on East and SE Asia.

Many Asians have been exposed to Western cultures through travel, the internet, studying in Western universities or working for global corporations. They may speak good English and adapt to Western cultures, but it may not feel natural or align with their own beliefs and origins.

In classic Confucian cultures, family and community take priority over ‘self’. Therefore, Chinese family names come first – before the Chinese given name. By contrast, in a display of hybrid culture, Chinese people who have adopted European given names place those, Western style, before the family name.

In Asia, parental care is often the duty of the eldest child. This will affect the willingness of executives to relocate. Values and family pressures supersede commitment to the corporation. One of our clients was long overdue for promotion, but this would have meant relocating from Singapore to the USA HQ. Her reluctance was hard to understand because she did not reveal her private situation concerning her aged parents. When she finally explained her reluctance to her manager, with persuasion from her coach, he was able to arrange for her new global role to be based in Singapore, where she could continue in parallel with her duties for her elderly parents.

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This loyalty and strong commitment to family and friends can sometimes lead to accepting unethical behaviour. This is universal but the pressure from group loyalty in Asia is especially strong, sometimes enough to result in disregard for company rules in favour of 'group think'.

A CEO in Malaysia told me about the challenges of promoting people into senior positions. Many decline the offer because spending more time with their families takes precedence over additional responsibility and income. It is a question of relative values.

Non-verbal communication and gestures are used often in Asia. The Westerner abroad in Asia needs to develop a fine sensitivity for subtle signals.

Asians of Confucian culture tend to be more discreet in their communication, are less confrontational and, reflecting the character-based Chinese pictograph spelling of words, describe things instead of giving a direct answer. When they say "yes", they might mean "Yes, I have heard you" and not "Yes, I agree with you". They sometimes hide their true intentions and feelings. 'Saving face' is important. I have sometimes wondered why some points in my emails were not answered by my Asian counterparts. Did they not read them properly? I then realised that ignoring them was a subtle way of saying "no". A lesson in diplomacy for me! On the other hand, 'giving face', an idea not so often contemplated by non-Asians, is a powerful act in creating social bridges and in enhancing the recipients' reputations.

In much of Asia, this generation is the first to emerge from poverty, especially in China where memories of the Great Famine endure. Their parents and grandparents grew up in a different world, often under a repressive regime. Speaking up was not an option, out of mistrust and fear of retaliation of the state. Building trust at the beginning of any relationship is essential. In our coaching, we rely on anonymous 360° feedback interviewing to build the Coaching Action Plan. In Asia, reluctance to speak out or to criticise others may limit the amount of useful information given. In our trusted process, we guarantee total anonymity. With this safeguard, good feedback is given more freely.

Wherever there is poverty and inequality, inevitably there is corruption. This is a serious issue in developing markets, though not exclusively so. Financial performance, robust ethics and compliance programmes are interlinked. The key is education, showing the long-term benefits of integrity. Behaviours can be changed but it can only happen if there are incentives and penalties. It will not happen overnight. Integrity must be integrated into the culture and lived from top down. Fair pay and diversity are integral parts of that. If someone cannot feed his family, he is more likely to be open to additional sources of income. Diversity breaks up cosy networks which are breeding grounds for corruption. Therefore, Diversity is Disruption to Corruption.

Self-promotion, as we see it particularly in the US, goes against the nature of many Confucian and non-Confucian Asians. They tend to be more modest and often undersell themselves. This may also be the case in Europe, but we have learned that those who are too modest, lose out. Also, societies evolve over time and adapt. Many younger Asians today are experts at self-promotion. Facebook, Instagram, TikTok and other online social media provide the accessible engines for the rise of the 'influencer industry'.

"Asians do not talk to strangers in the street", some say. However, I have enjoyed the most insightful discussions in several Asian countries by making the first step and talking to people in spontaneous encounters, be it in companies, restaurants, shops, taxis or wherever. One just needs to pick up the subtle clues and respect it if someone does not want to open up.

Asking questions and listening to people and their concerns, at any level of the organisation, may save a company millions. A Level-5 CEO of an Asian company told me that, during a tour on the shopfloor, he asked how he could

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support the team. Thanks to the trust culture set and lived by the CEO, an employee mentioned a serious problem in his company flat. This raised a red flag with the CEO who then investigated. He found out that the person responsible for the accommodation of the workers outsourced everything to a company owned by herself. By cutting spending on basic services and providing low quality support, she made a big margin on it, at the expense of the lower-level factory workers. She was fired but sued, unsuccessfully, the company for unfair dismissal.

English is a foreign language to most in Asia. In Singapore it is one of its national languages, but many speak a hybrid 'Singlish' or have a strong accent. And they are self-conscious about those. In meetings with native English speakers, it sometimes takes a bit longer for Asians to understand and formulate an answer. By then, the discussion has moved on. This is often wrongly interpreted as "not participating in the meeting". But this is also something I see in other parts of the world, as in Latam or Europe. I recently read that: "English is not a measure of IQ. If someone doesn't speak good English, they will speak at least one other language." So, when we coach non-native English speakers, we work on ways how to make themselves heard. But to be clear, the mistake is not with them but with those who don't give them the room to speak up.

Working together for a better world

Having outlined some observations about Asia above, here are some points to remember to make the world a better place instead of taking an 'us against them' approach:

- There is more that unites us than separates us. It often comes down to individuals.
- The globalisation of Asian leaders is underway, but it is not moving fast enough. This must not be a one-way journey. Western leaders too must 'Asianise' themselves in order to maximise their corporate success in this vibrant and fast emerging continent.
- We can learn from each other as long as we listen to and respect each other. Showing the benefits of doing things in certain ways might be an eye opener for others. People are willing to learn and adapt when they are motivated, when it makes sense and when it is aligned with their values. Colonial arrogance is a no-go. There is a strong reaction against it.
- We may not always like what we see in in other countries. However, we must never forget that we are their guests.
- Global corporations have a legal and moral responsibility to behave with integrity, wherever they operate. It is also in their self-interest to observe the principles as well as the rules of good governance. 'Can do' is not the same as 'should do'.
- Aligning corporate cultures with national cultures is in everyone's interests.
- Culture building starts with the Board and top leadership. It includes deciding why the company exists and how it should be run. This in turn will define what kind of employees, clients, suppliers and investors it attracts. When stakeholders have a choice, they will engage positively with a company whose values and culture are aligned with theirs.

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The last word

Asia is the continent of the future. It is developing in almost every one of its lands at a fast pace. Old colonial perceptions are fast becoming invalid. The demographic in most SE Asian countries is youthful. The young are globally ambitious in business and technologically as advanced as any.

While the West has educated Asia, Asia has been quietly educating us. As Asia moves quickly westward, so does Europe and, perhaps more slowly, the United States, move East. As one Hong Kong native said to an expat Westerner, "What do you mean, the Far East? It's not very far from where I'm sitting."

Marlene Uetz, July 2022

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Swiss-born **Marlene Uetz** is a multi-lingual global entrepreneur, executive coach and board member. She has lived, worked and studied in Europe, Asia, USA and Latin America. She has two MBAs and is a Chartered Marketer.

In 1998, she co-founded I.J. Martin & Co Ltd in Switzerland and in 2011, she became Managing Director of its Singapore company. Previously, she had worked for European, American and Asian MNCs.

Marlene's long governance experience includes contributions to the 1997 Hong Kong Post-Handover Corporate Governance revisions. She is passionate about promoting principles-based governance and developing visionary and ethical global business leaders.

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