THE INFLUENCE OF CULTURE ON EXPATRIATE LEadership AT
TOYOTA DE ANGOLA

A Research Report Presented to:
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by

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ABSTRACT

**Orientation:** This research has been carried out for the partial fulfilment of the Masters in Business Leadership.

**Research Purpose:** The main purpose of this research is to investigate the interactive effects of executive leadership national cultures, the organisational culture, and Angolan culture in this company.

**Motivation for Study:** Currently, globalisation is contributing towards a more diverse workforce and teams. This is reflected in Toyota de Angola (TDA) where currently there are six different nationalities in the leadership team. This research aims to identify how the various cultures affect the leadership team and their leadership style.

**Research Design, Approach and Method:** A case study design was employed for the purposes of this study. Furthermore it was a cross-sectional study and represents a snapshot of TDA.

**Main Findings:** The overall findings reveal no significant difference between the six nationals and the eight expatriates who form the leadership team at TDA. While the Portuguese rated highest in transformational leadership with regards to exercising a transformational leadership style, the Angolans rated lowest.

**Practical Implications:** This study could form the basis of other studies in this field in Angola and add to the Angolan academic body of knowledge.

**Contribution / Value – Add:** The findings can contribute to the leadership team at TDA and help them to better understand the cultural dynamics at play.
ACKNOWLEDGEMENTS

I am grateful to so many people who have helped make this research report possible.

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I acknowledge my boss, Mr Nuno Borges da Silva, the CEO of Toyota de Angola, and Mr. Nelson Rodrigues, the Financial Director of Toyota de Angola, who have been mentors who believed that part of a leader’s job is to develop human capital. Their guidance has been invaluable in the growth and development of my career.

I acknowledge my colleagues at Toyota de Angola from different parts of the world. Each team member brought a unique set of characteristics to my research report. Their different behaviour styles, while recognising that no one type or profile is better or worse than any other, have provided me with a better understanding of others. Understanding the uniqueness of my colleagues and the specific characteristics which each person brings to Toyota de Angola will further contribute to its expansion and growth.

I acknowledge my mother, Nelly Letsholonyane, for cheering me on to achieve greater and greater heights in all facets of my life. I have become who I am due to her unconditional love and dedication to me and my sisters Amelia and Ayana.

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<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>CLT</td>
<td>Culturally endorsed implicit leadership theory</td>
</tr>
<tr>
<td>CR</td>
<td>Contingent reward</td>
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<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>GLOBE</td>
<td>Global leadership and organisational behaviour effectiveness</td>
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<tr>
<td>IA</td>
<td>Idealized attribute</td>
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<tr>
<td>IB</td>
<td>Idealized behaviour</td>
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<tr>
<td>IC</td>
<td>Individualized consideration</td>
</tr>
<tr>
<td>II</td>
<td>Idealized influence</td>
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<tr>
<td>IM</td>
<td>Inspirational motivation</td>
</tr>
<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
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<tr>
<td>IS</td>
<td>Intellectual stimulus</td>
</tr>
<tr>
<td>LF</td>
<td>Laissez-faire</td>
</tr>
<tr>
<td>MLQ</td>
<td>Multifactor Leadership Questionnaire</td>
</tr>
<tr>
<td>MLQAO</td>
<td>MLQ: Actual/Ought self-rating assessment</td>
</tr>
<tr>
<td>sq km</td>
<td>square kilometres</td>
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<tr>
<td>TDA</td>
<td>Toyota de Angola</td>
</tr>
<tr>
<td>TMC</td>
<td>Toyota Motor Corporation</td>
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<td>TTC</td>
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CHAPTER 1
ORIENTATION

1.1. Introduction

Globalisation, increasingly diverse workforces and an increasing emphasis on leadership, have increased the number of cross-cultural leadership studies. These studies are interesting in nature as they review various challenging aspects, such as catering for diversity; the influence of one’s origins, backgrounds, values and culture, over a broad spectrum of leadership and various perceptions of which leadership style is best.

This researcher aims to review how culture influences one’s leadership style in an organisation. She focuses on the Organisational, National and Host cultural aspects of Toyota de Angola’s executive team. Furthermore, she intends to add to the existing body of knowledge pertaining to leadership and culture, but more specifically, she would like to identify the overlapping areas that exist between leadership and culture within a specific organisational environment. For the purposes of this study, Toyota de Angola has been selected as an appropriate organisation for this study because the researcher is an employee there. Being a multinational organisation, Toyota needs to possess the ability to compete in today’s rapidly changing environment. In order for this to happen Toyota should have, or needs to develop, transformational leadership skills and competencies (Avolio and Bass, 2004:1).

Mbigi (2005:1-10) reflects that leadership in an organisation is imperative if the leadership is not strong and nor able to motivate change an organisation which will render it difficult to sustain growth and maintain competitiveness. This is explicitly reflected in the quote below:

“For the spirit of the organization is created from the top. If an organization is great in its spirit, it is because the spirit of its top people is great. If it decays, it does so because the top rots...” (Peter Drucker cited by Mbigi, 2005: 1)
Avolio and Bass (1998:393) suggest that the leadership framework employed by an organisation should contribute positively to any change process embarked on by the organisation, especially in today's rapidly changing environment. They further suggest that organisations need to encompass various styles and leadership behaviours which transformational leadership encompasses. The leaders reviewed in this report stemmed from varying backgrounds and various continents, bringing with them diverse experiences. They also brought with them the values and cultural attributes of their national culture. According to Mbigi (2005:213), culture influences the manner in which common problems are resolved, as well as how quality and human behaviour are controlled, direction is set and how co-ordination and motivation occur within an organisation.

As discussed in the report, individuals are a product of their culture and it is argued by Turner and Trompenaars (2006:54) that people tend to look at what one’s cultural paradigm allows them to see. This has serious implications for leadership, as host or national cultures are the determinants of how the leadership challenge is approached. National culture, organisational culture and host culture are discussed extensively within the report; however, it is important to note that organisational change, which is imperative today, can only happen if organisational culture is transformational. Therefore this report reviews various aspects of culture in conjunction with transformational leadership.

The researcher was attracted to the diversity and possibilities of such a study and opted to review the influence of culture on the expatriate leadership at Toyota de Angola. This led to an investigation of various topics which are reviewed and discussed in this report.

1.2. Problem statement

Toyota de Angola (TDA) has recently recruited and hired a number of expatriate staff to fill certain vacancies within the organisation. These vacancies have been brought about by the recent economic boom that Angola is enjoying in various sectors and the current skills shortage in the labour market.
The top management team of 15 is culturally diverse, whereby it currently consists of six nationalities from various regions around the globe. This has posed interesting challenges to the organisation; it has also provided an excellent opportunity to harness the various advantages that such diversity brings. The researcher aims to investigate this diversity and identify the different leadership styles that may exist as well as to identify what influence national culture has on their leadership styles. The sub problems identified for the purposes of this research are depicted in the figure below:

![Figure 1.1 Framework of the study. (Source: Researcher’s own construction)](image)

The key research problem is identified by the overlapping of the various cultures and their influence on the leadership culture of TDA. This research will investigate the interactive effects of executive leadership national cultures, the organisational culture,
and Angolan culture in this company. The sub-problems that form the basis for this report as demonstrated above are:

- The influence, of the cultures of the various nationalities that exist in TDA, on the organisational culture.
- The influence of national culture on the host culture, that is, the Angolan environment.
- The influence of the host culture on the organisational culture which encompasses the Toyota way of doing things, the influence of the Japanese shareholders and transformational leadership, which should be demonstrated by the leadership team.
- The influence of the three cultures on the executive leadership team in TDA.

The above interactions of the various cultures are extremely important for this firm as they represent one of the main factors that make the leadership team effective and efficient in addressing the needs of the business. Cross-cultural leadership studies clearly show that cultural differences influence individual expectations and assumptions with regards to management and leadership within a specific context. Furthermore it is reflected that management philosophies and leadership paradigms develop in harmony with the cultures within which they function. In this study it can be said that the leadership style and organisational culture of TDA have been influenced by the various cultures at play (as cited by Booysen, 2001:37),

In summary, the researcher is interested in identifying similarities or differences in the expatriate leadership style at TDA. For this purpose, various cultures – organisational, host and national – are reviewed. This research is aimed at investigating how the various organisational, Angolan (host) and expatriate (national) cultural attributes impact on the leadership style of the top management team of TDA. The research and investigative questions below summarise this for the purpose of this study.
1.3. Research questions and objectives

This study considers the various cultural dimensions (organisational, national and host (Angolan) that face TDA. The researcher intends to examine how these various cultures influence each other and the leadership within the organisation. As noted above, TDA is currently influenced by various cultures, not only those of its leaders, but also those of the various organisations which have a stake in TDA. However, the organisation is ultimately influenced by its operating environment.

Therefore the main research question is:

- After investigating the relationships between the various cultures at play in Toyota de Angola, how do these affect the executive team’s leadership style?

Below are the research objectives from which certain investigative questions were derived.

- To identify the various leadership styles that exist within the top management of Toyota through the use of the Multi – Factor Leadership Questionnaire.
- To review any leadership similarities or differences within the various cultural groups that exist in the top management team of TDA.
- To determine the effects of one’s demographic background on the use of transformational, transactional or laissez faire leadership styles. For example, whether length of time within the organisation and one’s gender affects one’s leadership style.

1.4. Definitions of key terms

**Culture**: “the collective programming of the mind which distinguishes the members of one human group from another” (Hofstede, 1983:42).
Leadership: is defined by Yukl (2006:8) as the process of “influencing others to understand and agree about what needs to be done and how to do it, and the process of facilitating individual and collective efforts to accomplish shared objectives”.

Expatriates: Are considered to be individuals who are not born or brought up in Angola and are living outside their native country.

Toyota de Angola: is a distributor of the Toyota Tsusho Group.

1.5. Delimitations of the study

This study is delimited to TDA and its top management team and does not attempt to generalise its findings. It comprises a case study that utilises the Multi-Factor leadership questionnaire in order to gain an understanding of transformational leadership within this firm. It uses the findings of the GLOBE study to correlate expatriate culture and transformational leadership. Furthermore, the study is also delimited in terms of research to the three cultures, namely organisational, host and national, as identified and deemed important for this study.

1.6. Limitations of the study

This study is limited by the following:

- Availability of information regarding Angola, as it is a country which has recently come out of a 30 year war (The Economist Intelligence Unit, 2006:4).
- Owing to its being a case study, there is a tendency to generalise the findings (Bryman and Bell, 2007:62). Being a small sample, as the case of this report, we cannot generalise our findings on the leadership team at TDA to other similar situations, as each organisation experiences a different organisational culture and a different set of external factors.
- The researcher elected to confine this investigation to one company. The members of the executive team were selected for the study. There were 15
members who formed the population of the study. The sample consisted of all 15 members of the population.

- Finally, there were time constraints for this proposal that did not allow for further data collection on related areas of interest.

1.7. Importance of the study

This study is carried out as part of the requirements for the MBL programme and the researcher felt that it would be a good topic to embark on, as she faces some of the challenges presented here in the workplace. The researcher felt that if this issue could be studied, then one could gain insights into how to influence the integration and the output of the many cultures within the Leadership team. Since the organisation is also currently working on a skills transfer programme, she felt that understanding the various cultures at play could add to the programme because the researcher would be more aware of the cultural and leadership differences that exist within the leadership team. The importance of this study is divided into two key areas: the academic value that can be added to the existing body of knowledge and the value that can be added to the organisation and the participant individuals.

**Academic Value**

- This research possesses the potential to add to the limited knowledge regarding Angolan leadership.
- It also contributes to the body of Angolan academic studies; the research conducted could be used as a benchmark for future ones.
- The research utilised cultural dimensions developed by the GLOBE project and although the questionnaire that was employed was based on transformational leadership, it could contribute, on a very limited scale, to two sub-Saharan countries that were not included in the GLOBE project, namely Angola and Mozambique.
Added Value to the Participating Organisation and the Participants

- This research contributes to understanding the influence of cultural diversity on the leadership of TDA.
- It also contributes to TDA’s body of knowledge and although it cannot be taken as it is, since the sample was small and limited to the Toyota management team, it allows for understanding the individual leadership styles and the TDA team as at the time of the research. This could also contribute to TDA’s leadership development programme.
- It will also constitute a good read for expatriates as the study attempted to demonstrate how their various cultures might positively or negatively impact on their leadership style as transformational leaders within Toyota de Angola.
- Lastly, the research also contributes to the individual leaders who participated in the study, as they received a copy of their individual report provided by Mind Garden which was sent to them via e-mail. This allows for reflection on their part as leaders.
- A copy of this report will also be given to the Chief Executive Officer of Toyota in order to allow for sharing of the results of this report.

1.8. Research assumptions

1. Culture is an acquired attribute and is a fundamental part of one’s self. It is a leading factor that influences one’s leadership style.
2. All organisations possess a culture, which is derived from the individuals who lead and manage it. The organisation culture therefore in general acquires the characteristics of the individuals and their environment.
3. The data gathered and analysed from the GLOBE study is credible and can therefore be considered reliable.
4. The participants were either superiors or colleagues of the researcher and who provided them with the background of the study. They gave the researcher the undertaking to provide honest replies in the questionnaire.
5. Strong Leadership is the key element that determines the success or failure of an organisation and strongly influences the organisation’s culture.

1.9. Outline of the research report

**Chapter 1: Orientation**

This chapter lays the foundation of what the objectives of this study are, its limitations and delimitations. It also provides insight into what the perceived contributions of this study are and the importance of doing this research. It lays out what intrigued the researcher and why. It also supplies a list of the key terms and clarifies the essence of this report. Furthermore, the chapter provides an introduction and background to the research conducted. It also mentions the limitations and delimited the study.

**Chapter 2: Literature Review – Cultural Context**

This chapter reviews and lays the theoretical foundation for the concepts of national culture, organizational culture and the respective value dilemmas that may arise. The main studies utilised here are Hofstede’s taxonomy of the four cultural dimensions and the nine cultural dimensions as set out in the GLOBE study. His overall findings on how culture influences leadership are also presented within the chapter.

**Chapter 3: Literature Review – Leadership**

This chapter considers the concept of leadership. It begins with a brief overview of African leadership, moves on to authentic leadership and ends with transformational leadership. The focus fell on transformational leadership and as such the concepts of transformational, transactional and laissez-faire leadership styles are discussed in detail.

**Chapter 4: Research Methodology**

This chapter outlines the blueprint for the actual research. The purpose of the research is revisited and the research design is outlined. It also discusses the sampling
process, the measuring instruments and the data collection methods which the researcher utilised. Finally, the chapter concludes with data analysis and examples of the outputs.

Chapter 5: Case Study Site

In this chapter the organisation chosen for this report is discussed. The Angolan culture is also discussed as this influences the environment of the organisation and in turn the organisation itself. The chapter provides a brief history of the country and aims to identify key aspects of Angolan leadership.

Chapter 6: Data Analysis

This chapter presents the results of the study. To assist with the interpretation of the data, it is organised in the form of tables and charts.

Chapter 7: Discussion, Conclusion and Recommendations

This chapter reviews the secondary and primary data collected for the purposes of this study. It analyses the data and seeks to draw conclusions from the statistical and qualitative data obtained. This allowed the researcher to triangulate her findings, which resulted in greater validity and reliability.

Finally, recommendations are provided by taking into account the meta categories of transformational leadership and by correlating these with the findings of the GLOBE study. The recommendations are based on the outcomes of data analysis and the conclusions are elaborated on.
CHAPTER 2
A REVIEW OF NATIONAL, ORGANISATIONAL AND HOST CULTURE

2.1. Introduction

As mentioned in chapter one, this chapter lays the theoretical foundation for the research problems as illustrated in Figure 1.1. It will begin with a consideration of culture and where it fits within an organisation. The concepts of national and host culture are introduced and the influence of culture on leadership is discussed. The review conducted focuses on three main cross cultural studies, namely: (1) Hofstede and his identification of four cultural dimensions, (2) the Global Leadership and Organisational Behaviour Effectiveness (GLOBE study), which identified nine cultural attributes and (3) the value dilemmas identified by Hampden-Turner and Trompenaars (1994:50). Further to this, two key issues were included with regards to the cultural web and globalisation where diversity management was a key topic. The review of these cross cultural studies enabled the researcher to determine the theoretical context for the research. This chapter’s objective is to discuss the various cultures identified for the purposes of this research as per Figure 1.1. as stated below:

• The influence of national culture of the various nationalities that exist in TDA on the organisational culture.
• The influence of national culture on the host culture, which is the Angolan environment within TDA.
• The influence of the host culture on the organisational culture which encompasses the Toyota manner of conducting business, and the influence of the Japanese shareholders as well as transformational leadership which should be demonstrated by the leadership team.
• The influence of the three cultures on the executive team in TDA.

The first section that will be reviewed is the relevance of ethnic culture and various definitions of culture so as to provide a basis for the cultural discussion provided in this chapter.
2.2. The relevance of ethnic culture

House, Hanges, Javinda, Dorfman and Gupta (2004:57) define culture as “several commonly shared processes: shared ways of thinking, feeling and reacting; shared meanings and identities; shared socially constructed environments; common ways in which technologies are used; and commonly experienced events including the history, language and religion of their members”.

Luria (2008:29) defines culture slightly differently, “as a pattern of basic assumptions invented, discovered or developed by a group as it learns to cope with its problems of external adaptation and internal integration”.

The GLOBE study offers the following definition of culture: “shared motives, values, beliefs, identities and interpretations or meanings of significant events that result from common experiences of members of collectives and are transmitted across age generations” (House, Hanges, Javinda, Dorfman and Gupta, 2004:57).

According to Kanungo (2006:25), the definition of culture has been agreed by various authors “to be based on languages, economy, religion, policies, social institutions, class, values, status, attitudes, manners, customs, material items, aesthetics and education”.

In summary, ethnic culture can be described as shared ways of thinking, feeling and reacting which are a result of various events that may have taken place and are conveyed over the generations. For the purposes of this report, ethnic culture is defined as comprising shared values and beliefs that are common to a group of people who have developed basic assumptions from events or common experiences and use them as guiding principles in societies as well as organisations. Hill (2005:93) calls these aspects mentioned above the “determinants of culture” (e.g. language, religion, attitudes) which puts into perspective the point that the determinants influence the norms and value systems of a society. It is also important to note that the various components of a culture are evolutionary in nature and form part of a culture over a period of time.
Furthermore, recent trends of globalisation driven by factors such as technological developments and international trade have increased recognition of and interest in cultural and ethnic diversity within societies and organisations. This helps to “expose bias in social science caused by the blinders and filter of culture” (Kim, 1999:1). The recognition of cultural and ethnic diversity also helps to improve a key building block of culture, which is communication, and through which a shared way of life is agreed to. It is also observed that both (culture and communication) cannot exist without the other and are acquired simultaneously. The various studies conducted on cross cultural principles try to cluster countries by “cultural values” and have become paradigms for the shared management principles.

Nevertheless, it is important to clarify that, although cross-cultural differences exist in a specific country and there is “a unique set of characteristics” that affects decision making within the organisation, in some circumstances it is important to consider that employees also share similarities such as language, religion, customs, borders and beliefs (Pagell and Shu, 2005:374). This understanding of ethnic culture led the researcher to investigate what national culture is and how these similarities affect an organisation and individuals.

2.3. National culture

The understanding of how culture affects leadership is the key purpose of this dissertation; the concept of national culture is of relevance as the expatriates bring with them elements of their culture which may influence organisational culture and leadership. As seen above, repetition and tradition shape the norms, values, attitudes, beliefs, ideas or values that regulate the behaviours and perceptions of that nationality (Morden, 1999: 19). This rationale allows a definition of national culture as the “collective mental programming” of people with a particular nationality. It is also conceptualised as an “inherited ethical habit” (Morden, 1999:19).

Leaders need to be able to interpret the national cultures at play in order to achieve organisational goals. It is important to note that perceptions of leaders culturally bind organisations and affect how they influence these within a context. This constituted a key focus area of the GLOBE study which had as a research question the effect of
societal culture in conjunction with demographic descriptions on individuals. For the purposes of their research into how perceptions of leaders can culturally bind organisations the researchers used the implicit leadership theory which focuses on individual attributes and how they affect leadership. This is further discussed below as part of the discussion on leadership (Chokar, Brodbeck and House, 2007:1035). Lin and Miller (2003:290) also support the above argument by stating that national culture has direct and indirect effects on behaviours, norms and beliefs. It also affects the culture and leadership of the organisation.

Hofstede (1980:34) characterises national culture as being “implicit; core; systematically casual; territorially unique and shared”. These characteristics are defined below:

- Implicit: Many definitions of culture have been furnished in this chapter, some of which lead one to believe that culture is transparent. According to Hofstede (1980:34), culture is biased; hence his view that it constitutes “mental programming”.
- Core: “National culture is a common component of a wider culture which contains both global and sub-national constituents” in Hofstede’s words (1980:38).
- Systematically causal: the strength of national culture is very important and it is advisable to adhere to the cultural hierarchy.
- Territorially unique: culturally this differentiates one country or “nation” from another. This does not mean that one “nation” may not contain sub cultures or various nations in one but Hofstede treats it as a “single entity with one national culture” (1980:39).
- Shared: this is described by two key points, the first one being “sub culturally heterogeneous” and the second one being one of “central tendencies” - Hofstede (1980:45).

National culture is fundamental for this report as the definitions from various sources and the secondary data drawn from these align with our general discussion of culture in general, in order to embed the philosophy that shared values and beliefs are
common to groups of individuals. The review of national culture further adds that countries or nations share common characteristics and although sub cultures may exist, essentially people or individuals fall under a common umbrella. It is important to note that it is not an individual that is measured in a study of national culture, but rather, as identified by Hofstede (1991:253), the “central tendencies” are measured in cultural studies and these become a “national norm”. This can be directly linked to Figure 1.1 where the national cultures are shown to influence the host and organisational cultures. As “central tendencies” are measured in national culture, one could apply this principle and state that organisational cultures could be measured on a similar footing.

The above discussion is very important for this report and has a significant impact on the findings of this report. Alongside the interpretation of national culture, it is important to note that a leader’s background impacts on her / his ability to lead in different environments and situational contexts (House, Hanges, Javinda, Dorfman and Gupta, 2004:59). This is especially true for this report where there are five national cultures within the organisation being studied (TDA). The GLOBE Study below reviewed the leadership styles in various cultural clusters based on a similar principle of national culture where groups of people from a similar region practise similar cultures. The GLOBE study rates countries and regions based on nine cultural dimensions identified by the researchers, which is important for this study as it will enable the researcher to better understand cultural differences with regards to the expatriate’s national culture at TDA.

2.4. The GLOBE study

The four cultural dimensions identified by Hofstede (1983:43) were developed further in the GLOBE research study in order to conceptualise worldwide leadership differences and the influence of culture on leadership (Javidan, Dorfman, Luque and House, 2006: 67). The GLOBE study is a significant part of the research as it brings together two key elements that this report addresses: culture and leadership. According to Mbigi (2005:1), “Culture determines the spirit of the organisation”. Mbigi further avers that it is not developed by the masses or employees; rather, it is developed by the leaders. While the GLOBE study was built on the four cultural
dimensions of Hofstede, as mentioned it arrived at nine cultural dimensions which are summarised below (Javidan and House, 2001:8):

- **Assertiveness**: assertiveness refers to the extent to which a society encourages people to be strong, confrontational, confident and competitive versus humble and caring.

- **Future Orientation**: this dimension refers to the extent to which a society encourages and rewards future-oriented behaviours such as planning, investing in the future, and delaying gratification.

- **Gender Egalitarianism**: is the extent to which a society maximises gender role differences.

- **Uncertainty Avoidance**: this dimension looks into how societies lessen the unpredictability of future events by depending on social customs and procedures. It is a society which formalises procedures to reduce uncertainty.

- **Power Distance**: refers to how degrees of power in a society are shared. The dominance of the less powerful by the more powerful is demonstrated in the various strata of the society and among individuals with respect to power, authority, reputation, status and wealth.

- **Collectivism vs Institutionalism**: this dimension reflects the degree to which individuals are encouraged by societal institutions to be integrated into groups within organisations and the society. In this dimension, institutionalism is favoured instead of collectivism.

- **In Group Collectivism**: this attribute refers to the individual satisfaction that people receive from being a part of smaller groups such as a family, circle of friends and organisations in which they are engaged.
• **Performance Orientation:** this dimension refers to the recognition and promotion that group members receive for continuous improvement and excellence.

• **Humane Orientation:** this dimension is defined as the degree to which a society encourages and rewards individuals for being just, selfless, charitable and compassionate towards others.

According to Javidan *et al.* (2006:70), the GLOBE studies empirically identified ten cultural clusters. For the purposes of this study our focus will fall on Latin America (Brazil), Latin Europe (Portugal), Sub Saharan Africa (Angola, Mozambique and white South Africa) and Confucian Asia (Japan). Each of these clusters differed with respect to the nine cultural dimensions and with regard to the nationalities found in Toyota. Although Mozambique and Angola were not a part of the GLOBE Study, the findings for the Sub-Saharan region will be used as a benchmark.

• Table 2.1 below depicts the cultural dimensions scored by regions and is rated on a scale of high, medium and low wherein high cluster scores are those that were significantly higher than those of the group and indicate a strong affinity for a dimension; medium scores were not significantly different from the group; and low scores are those that were significantly lower than those of the group and indicate a low affinity.

**Table 2.1 GLOBE Cultural Dimensions Scored by Regions**

<table>
<thead>
<tr>
<th>Nº.</th>
<th>CULTURAL DIMENSION</th>
<th>JAPAN</th>
<th>BRAZIL</th>
<th>PORTUGAL</th>
<th>SUB-SAHARAN AFRICA</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>ASSERTIVENESS</td>
<td>MEDIUM</td>
<td>MEDIUM</td>
<td>MEDIUM</td>
<td>MEDIUM</td>
</tr>
<tr>
<td>2</td>
<td>FUTURE ORIENTATION</td>
<td>MEDIUM</td>
<td>LOW</td>
<td>MEDIUM</td>
<td>MEDIUM</td>
</tr>
<tr>
<td>3</td>
<td>GENDER EGALITARIANISM</td>
<td>MEDIUM</td>
<td>MEDIUM</td>
<td>MEDIUM</td>
<td>MEDIUM</td>
</tr>
<tr>
<td>4</td>
<td>UNCERTAINTY AVOIDANCE</td>
<td>MEDIUM</td>
<td>LOW</td>
<td>MEDIUM</td>
<td>MEDIUM</td>
</tr>
<tr>
<td>5</td>
<td>POWER DISTANCE</td>
<td>MEDIUM</td>
<td>MEDIUM</td>
<td>MEDIUM</td>
<td>MEDIUM</td>
</tr>
<tr>
<td>6</td>
<td>COLLECTIVISM vs. INDIVIDUALISM</td>
<td>HIGH</td>
<td>LOW</td>
<td>LOW</td>
<td>MEDIUM</td>
</tr>
<tr>
<td>7</td>
<td>IN - GROUP COLLECTIVISM</td>
<td>HIGH</td>
<td>HIGH</td>
<td>MEDIUM</td>
<td>MEDIUM</td>
</tr>
<tr>
<td>8</td>
<td>PERFORMANCE ORIENTATION</td>
<td>HIGH</td>
<td>LOW</td>
<td>MEDIUM</td>
<td>MEDIUM</td>
</tr>
<tr>
<td>9</td>
<td>HUMANE ORIENTATION</td>
<td>MEDIUM</td>
<td>MEDIUM</td>
<td>LOW</td>
<td>HIGH</td>
</tr>
</tbody>
</table>

*Source: Adapted from Javidan, *et al.*, (2006:71)*
Table 2.1 presents the results of the GLOBE study built on Hofstede’s cultural dimensions and ratifies the results of Hofstede. It is interesting to note that Sub-Saharan Africa seems to fall in between the others with regards to most dimensions but scores highly on the Humane Orientation, which one could say is a contribution of Africa’s recent past since breaking free from colonialism. This comparison will be discussed in the results of this report since it offers some worthwhile insights. The next section will provide insight into organisational cultures and how they influence national and host cultures, but will also add to the above discussion of the GLOBE study and the impact of these cultures on an organisation.

2.5. Organisational culture

Organisational culture has been said to represent a counter culture within organisational theory because it often rejects the traditional structural and systems perspectives since it creates a certain manner of operating within the organisational context. For example, the Toyota way constitutes an organisational rather than Japanese style of operation (Likert, 2004:xi). It has its own structure, processes and methods to which Toyota employees adhere regardless of their national culture. This is embedded in the definition below.

Sweeney and Hardaker (1994:4) quote Schein who defines organizational culture as “the deeper level of basic assumptions and beliefs that are shared by members of the organization, that operate unconsciously and that define in a taken for granted fashion an organization’s view of itself and its environment”.

Numerous definitions of organisational culture exist in this report as per Table 2.2 below, so as to enable the researcher to arrive at the definition best suited for this report and to better understand the concept of organisational culture.
Table 2.2 Definitions of Organisational Culture

<table>
<thead>
<tr>
<th>Author</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sweeney and Hardaker, (1994:4)</td>
<td>To be an undetected or hidden force that is a part of any organisation. It is something that can be measured and observed as it is inherent in the conduct of individuals who are a part of any organisation. It is said to be the “social energy of the organisation” or the “personality of the organisation”, a hidden yet unifying theme that provides meaning, direction and mobilisation.</td>
</tr>
<tr>
<td>Hughes et.al., (2002:416)</td>
<td>“As a system of shared backgrounds, norms, values or beliefs among members of a group”.</td>
</tr>
<tr>
<td>Yukl (2006:290)</td>
<td>“The culture of a group or organisation as shared assumptions and beliefs about the world and their place in it, the nature of time and space, human nature and human relationships”.</td>
</tr>
<tr>
<td>Yukl (2006:2)</td>
<td>Further goes on to distinguish between “underlying beliefs” and “espoused values”. Underlying beliefs are obtained from one’s national culture or the beliefs that are “unconscious” to an individual.</td>
</tr>
</tbody>
</table>

According to the definitions of culture discussed in the above section, underlying beliefs can be said to be learned responses and shared assumptions. Espoused values are not consistent with one’s underlying beliefs and are not a reflection of an individual's culture. For the purposes of this report organisational culture is defined as the persona of a group of individuals, whose underlying beliefs have been influenced
by the particular manner in which the organisation functions in order to create a shared value system.

Hofstede (1983:42) argues that cultural characteristics are only apparent to those who are not a part of a particular culture because people find it difficult to discover what they have in common; only that which makes them different. This may create generalisations and, according to him, there are two main reasons for this:

1. There is no common language to describe something as complex as culture. Organisational culture has been compared to the personality of an individual. Hofstede agrees with this but states that a key difference is the development of a scientific language which is commonly understood; for example, it is common to describe someone’s personality as extrovert / introvert or to talk of someone as emotionally stable or unstable.

2. Statements of culture are usually based on impressions and not on systematic study and such statements may be considered as false generalisations.

Sweeney and Hardaker (1994:4) support the concept of the “Cultural Recipe” wherein it is accepted that people play a critical role in organisations. If this is the case, then it can be said that organisational cultures are affected by the “mental programming” of an individual as they bring with them a national character which is a particular way of thinking shared by inhabitants of a similar country.

The national culture and ethnic culture are said to affect the perception of people and exert an effect on organisational practices (Kanungo, 2006:23). This can be viewed as the “influential composite of numerous variables including the type of leadership, prevailing stories and myths, accepted rituals and symbols, the type of power structure, the decision making process, functional policies and management systems” (Sweeney and Hardaker, 1994:4).

This influential composite has various repercussions for an organisation; in other words, an organisation’s culture may “break or make” an organisation, which constitutes a major risk in today’s world where more and more organisations are
international. Organisational culture may impart a competitive advantage to one organisation even though others may have access to similar resources. It influences the change process and how flexible an organisation may be in adapting to change (Sweeney and Hardaker, 1994:4). Given these benefits, many organisations choose to adopt strategies, such as diversity management, that might avoid cultural risks.

Kanungo (2006:23) argues that organisations attempt to avoid cultural risks that are associated with a certain culture. Organisations minimise this risk by bringing in a diverse workforce, which is mainly carried out by utilising a cross cultural approach in acquiring skills, technology and capabilities. The author further states that organisations depend on successful interaction with their environment for their existence and survival. This dependency includes the relationship between the organisational culture and cultural values of a particular society (Kanungo, 2006:23).

The above discussions on organisational culture have helped to clarify its meaning, for which there are various key aspects that one cannot ignore. However, the next key question one may ask is: how does this culture impact on a business? This is answered in the sections below in terms of Hofstede’s cultural dimensions and of how managers deal with various dilemmas arising from cultural influences in the current global environment. Nevertheless, prior to such a review, one needs to understand the concept of the cultural web because it brings to the fore the intricate manner in which an organisation’s culture is reinforced.

2.6. Johnson and Scholes’ elements of the cultural web

The “cultural web” was developed by Gerry Johnson and Kevan Scholes in order to attempt to identify a guide for the work environment as well as the important elements of culture that do or do not work, and what needs to be changed. For the purposes of this study, this model is investigated in order to better understand the six elements of organisational culture as identified in this model (Johnson and Scholes, 1992):

1. Stories: the history in an organisation, what is discussed within an organisation and externally. The way in which the company operates can say much about the values of an organisation.
2. Ritual and Routines: tolerable behaviour, actions and behaviours displayed in any given situation.


4. Organisational Structures: the formal and informal structures within the organisation.

5. Control Systems: the control mechanisms the organisation utilises, including the measurement metrics used, financial and quality systems used, and methods of rewarding and motivating staff.

6. Power Structures: Number of people who are able to influence decision making and strategic direction of other people, whether it be a group of people or individuals.

The figure below is a depiction of the six elements that form part of the cultural web. Some of these elements are discussed in Chapter 5 where TDA is described. The use of this model provides insight into the organisation and has enabled the researcher to better understand the Toyota organisational culture.

![The Cultural Web](image)

**Figure 2.1 The Cultural Web Source: (Johnson and Scholes, 1992)**

The elements of the cultural web described can be directly identified in the way Toyota reinforces common values and behaviours in the organisation. What is interesting to
the researcher is that besides reinforcing company values and culture, the elements of
the said cultural web also reinforce the national and host culture in the organisation to
a great degree. This web also emphasises to what extent an organisation allows
culture to influence its way of business. Hofstede’s cultural dimensions, reviewed
below, are used to pinpoint what relationships various cultures have with an
organisation and how they are related to the workplace.

2.7. Hofstede’s cultural dimensions

The most pertinent question for organisations or businesses is how culture influences
the workplace. Hofstede (1983:40) undertook a study to review how culture and values
in the workplace are related. Hofstede believes that people from different backgrounds
differ in terms of four dimensions. These include:
- Power distance (PDI);
- Individualism vs. collectivism (IDV);
- Uncertainty avoidance (UAI); and,
- Masculinity vs. femininity (MAS).

To the above, a fifth dimension was added after extensive research and correlation
between the original study and a study conducted by a Canadian psychologist,
Michael Harris Bond (Hofstede and Bond, 1988:5). The fifth dimension was labelled:
- Long Term versus Short term Orientation (LTO)

How individuals or countries rate with regards to the above mentioned five dimensions
may lead to positive cultural integration or pose challenges (Hofstede and Bond,
1988:6). Over the years, numerous studies have been conducted and correlated with
the above mentioned dimensions. One study that has quite extensive was the GLOBE
study, which, as indicated, expanded the five dimensions mentioned above to the nine
dimensions discussed further below. The reason for this was to create a scenario of
the actual culture and what the culture should look like. The results of the GLOBE
study confirmed the importance of the above dimensions and the ratings of the relative
position of each country in comparison to another. The study covered 64 countries and
rated each country on the five dimensions (Hofstede, 2005:25). For the purposes of
this study the researcher extracted the ratings applicable to the study, with the ratings for the countries of interest for this report portrayed below:

![Figure 2.2 Country vs. Hofstede's Cultural Dimension Scores. Adapted from Source: Geert Hofstede, 2010.](image)

As per the above figure 2.2 the ratings for Mozambique and Angola are not available and hence the researcher is not able to provide them. These ratings form an important part of this literature review and will be discussed in the final chapter of this report. The Portuguese data should also provide some insight into the host culture as the said countries were colonised by the Portuguese.

Whetten and Cameron (1998:325) suggest that cultural interaction provides opportunities for improved decision making, creativity and innovation. On the other hand, there are challenges such as miscommunications, misperception and loss of productivity that one needs to address to ensure that the organisation is influenced in a positive manner. The above scores according to Hofstede’s cultural dimensions display interesting facts that this research will need to consider when looking at the influence that the national culture of these individuals exerts on the organisational culture.
Luria (2008:28) reinforces the fact that culture influences human behaviour and states that cultural change is necessary if organisations are to achieve high standards of quality and influence human behaviour. Furthermore Luria (2008:28) reflects that in this rapidly changing world, organisations strive to reduce inconsistencies in human behaviour by adapting policies such as the Six Sigma and Total Quality Management, which focus on influencing behavioural components in order to achieve organisational goals and objectives.

Further to the above discussion of Hostede’s cultural dimensions, a study was conducted in two countries, the Netherlands and Denmark, in order to translate the national culture dimensions above into those dimensions that could be used for describing an organisation. This study was deemed to be narrow and the dimensions cannot be universally considered valid. Nevertheless, the researcher decided to take note of them as they might expand on the dimensions of national culture and shed light on six possible dimensions of an organisation that can be measured and lead to higher efficiencies (Hofstede, 2010a), as below:

1. Process Oriented versus Results Oriented: this was linked to homogeneity in groups whereby a results oriented environment was perceived to be the same as the organisation’s environment, whereas in process oriented organisations everyone possesses a different perception.

2. Job Oriented versus Employee Oriented: this dimension considers whether an individual manager assumes responsibility for an employee’s “job performance only” or whether it also extends to an individual’s welfare in general.

3. Professional versus Parochial: this differentiates the professionalism associated with the highly educated versus the individuals who “derive their identity from the organisation for which they work”.

4. Open Systems versus Closed Systems: this dimension refers to the communication style of the organisation with its internal and external stakeholders. In the study conducted in this dimension there was a notable difference as to how the Danes and the Dutch communicated, which proved that national culture does impact on an organisation’s culture.

5. Tight Versus Loose Control: this refers to the informal controls within an organisation, for example, timekeeping, degrees of formality, etc.
6. Pragmatic versus Normative: this dimension looked at how the organisations perceived the customers in their offering and whether they were “flexible” or “rigid”.

The six dimensions mentioned above, though not ratified, can help shed light on an organisation’s culture and can be correlated with Hofstede’s dimensions of national culture. However, although this will not be undertaken in this research it could be an interesting topic. Furthermore, it can be noted that culture influences human behaviour and leadership. As seen above, transformational leadership qualities are restrained or demonstrated in one's environment and then displayed within an organisation. These qualities will be discussed in the next chapter. Having said the above, the researcher finds it important to discuss culture as an important influence on leadership due to the literature review conducted here (Hofstede, 2010a).

Luria (2008:29) reflects on this and suggests that culture not only affects one's leadership style since it incorporates values, beliefs and behaviour, but is also a "social control mechanism that forms the basis of quality culture" of an organisation, such as TDA, which strives to continuously improve (Kaizen) as an integral part of its culture and to ensure that its leaders are able to influence and motivate the organisation in the achievement of its goals and objectives by creating a culture that supports organisational change and reinforces Toyota’s key core values. This was also reflected on in the earlier discussion of the GLOBE study.

The concept of organisational culture helps to shed light on certain key areas for this report, particularly the ways in which national and host culture influence organisational culture. As noted in the definitions of organisational culture, there seems to be a tendency to break away from national and “nation” norms, with organisations creating their own operating environment where specific norms and beliefs are shared and enforced. This can be observed in TDA where Toyota is a predominantly Japanese company. Although many of the methods are borrowed from the Japanese national culture, TDA does adopt many best practices from other countries and also incorporates many of the host culture attributes, consequently, moving away from being a Japanese company and creating a TDA way. This presents an interesting point of view and will be further discussed in the results of this research.
In the next two sections of this chapter two key cultural contexts are discussed: the cross cultural influences on business practices and the driving forces of globalisation. This is necessary, as mentioned earlier, since organisations tend to borrow from their cultures but predominantly create their own culture. The discussions below will share insights on how organisations and leaders of these organisations deal with various dilemmas that may arise within an organisation’s internal or external environment.

2.8. Hampden-Turner and Trompenaars’ seven value dilemmas

Hampden-Turner and Trompenaars (1994:50) posit seven value dilemmas which they believe allow managers to understand key cultural differences. These further enhance the understanding of cross cultural challenges and, in conjunction with the nine cultural attributes of the GLOBE study, combine to offer insight into how national culture influences leadership. These are discussed below as presented by Morden (1999:28):

- **Making rules and managing exceptions:** this refers to the need for organisations to have a modus operandi, but this should allow room for innovation, pro-action and the ability to work with exceptions.

- **Deconstructing and constructing:** this dilemma reviews the concepts of analysing versus integrating, whereby analysing is deconstructing or the unpacking of a process vs. the act of constructing and ensuring cohesiveness of a wider context.

- **Managing communities or individuals:** this is an important dilemma for African leadership as it incorporates the principles of Ubuntu which suggest that an individual is an extension of a community and cannot separate oneself from it (Mbigi, 2005:68). Mbigi further goes on to say that “the community is the cradle of the individual”. Western practices focus on the individual and this can pose a dilemma in strongly communalistic countries.

- **Internalising the outside world:** this dilemma refers to the perceptions of the boundaries that one creates with the outside world.
- **Synchronising time processes:** this dilemma can be linked to the future orientation attribute of the GLOBE study. It refers to the orientation that individuals or organisations in a specific culture adopt towards long term or short term planning. In this context it also refers to the time it takes to accomplish tasks, whether it is in the shortest time possible or coordinated over a longer period of time.

- **Achieved status vs. ascribed status:** this dilemma refers to the value set of an organisation regarding the allocation of status. This allocation may be based on the achievement of a specific objective or task, or it may incorporate seniority, education or length of service. In African societies, an individual’s status is determined not by one’s material possessions, as in the West, but rather by age, gender and bloodlines (Mbigi, 2005:80).

- **Equality vs. Hierarchy:** cultures vary with regards to the emphasis they place on participation and empowerment vs. authority. Depending on the culture, individuals may be treated as equals and decision making may be based on agreement.

The value dilemmas discussed above help us to understand the cross cultural differences that may arise when one is dealing with different cultures. These also form an integral part of the research since this report deals with three different cultures: national (the culture of the expatriate leaders), host (Angolan) and organisational (TDA). Each one of these cultures can be associated with any of the above challenges at any given time. It is important to note that although countries are usually discussed or interpreted according to one homogenous culture, the relationship among them is ambiguous. Hill (2005:93) argues that it is important to recognise the sub-culture that exists within a specific national culture and this is also true for organisational and host cultures. The next section examines how globalisation has affected culture and its influence on the workplace, the reason being that many of the theories in the literature reviewed in this chapter exist today because of globalisation, which has employed technological advances to bring the world together, thus rendering it a smaller place (Kanungo, 2006:23).
2.9. Globalisation and culture

According to Kanungo (2006:24), “a global civilization mindset”, which is an understanding of the emerging derivatives of global politics, global consumer behaviours, technological innovation and an understanding of socio-political factors, including culture, values and norms, is vital for the new global leader. The discussion of the seven value dilemmas also presents a key global challenge for the new global leader.

These challenges for her or him require cross cultural competencies, which revolve around managerial “values” that can resolve and accept cross cultural diversity. Hampden-Turner and Trompenaars (2006:56) consider values as a means of survival for any culture. They also believe that cultures are entirely relative with regards to their values. A similar emphasis can be placed on the values held by a manager or leader. Kanungo (2006:26) further advocates that people with different backgrounds possess different value systems and respond in different ways to the changing global scenario. They may also be influenced by cultural change, which may occur due to changes in the external environment. This was also observed in our earlier study of how the values of a national culture can affect an organisation’s culture (Stedham and Yamamura, 2004:243).

Furthermore, in the organisational context it is important to note that the blurring of business borders is leading to the emergence of global business ethics, while new business paradigms are leading organisations to adopt a global culture which is influenced by the national cultures and values of the global leaders and the host culture of the country in which an organisation operates (Stedham and Yamamura, 2004:243). It is also debated that new technologies may bring societies closer together and bring about similar values. Although this may be the case, it does not mean that the dimensions identified in this study become extinct, even though the scores or ratings may prove these similarities. However it is argued that these changes may only be visible over the next 50 to 100 years unless a catastrophic event occurs (Hofstede, 2010a).
As discussed above, organisations are functioning in a global environment. This places tremendous pressure on the leaders of these organisations as they need to be multi skilled and possess a honed ability to deal with different cultures in order to fulfil the expectations of an organisation. It is also realised that culture possesses the ability to influence an organisation’s ability to cope and deal with change. The GLOBE study and that of Hofstede’s dimensions could provide leaders with information on cultures and their differences so as to enable an organisation’s leadership to create an enabling environment. However, another concept that is reviewed below is that of diversity management which might shed further light on how a diverse workforce can bring about organisational flexibility and improve the bottom line of an organisation (Gilbert, Stead and Ivancevich, 1999: 61).

**Diversity management**

In the above discussion on globalisation, it was noted that culture, race, age and one’s background are important influencing factors for an organisation when dealing with change because organisations are moving towards a more heterogeneous workforce. A diverse workforce requires that an organisation possess a strategy or a process to include these differences that individuals bring to the workforce. This can be identified as diversity management (Ashkanasy, Hartel and Daus, 2001:2).

Diversity management is defined as a formal tool that organisations use to include all staff members from different backgrounds in formal company programmes (Gilbert, Stead and Ivancevich, 1999:61). Other definitions of diversity management have included the acknowledgment that people differ in many ways, that this has an impact on the workplace and in society and that there is a need for a strategy to ensure that all issues are addressed in order to attain an aligned workforce (Gilbert, Stead and Ivancevich, 1999:61).

The origins of diversity management are said to be linked to the anti discrimination movement of the United States of America in the 1960s and it is argued that this was a response to the affirmative action laws implemented at the time to ensure that the minorities were afforded equal employment opportunities. Although affirmative action had been perceived negatively, research has shown that an effectively managed workforce can be beneficial for an organisation in various fields, such as cost cutting.
initiatives, improved marketing strategies, higher levels of productivity and greater organisational flexibility (Gilbert, Stead and Ivancevich, 1999:61).

Diversity management is a trend that seeks to harness the diverse backgrounds of individuals and their manner of working in an organisation within various workforces and represents an attempt to explain some of these differences. Most importantly, it is about creating a culture that will transcend these differences in order to promote “attitudinal and structural integration” and create an effective corporate culture (Gilbert, Stead and Ivancevich, 1999:61).

The researcher felt that this brief discussion on diversity management was essential to the present study in order to offer further insight into the above mentioned trend that globalisation is creating a more diverse workforce, and that, in order to make use of the advantages that an organisation can gain from this, it is important to devise a well thought out diversity management strategy. Having said this, the concept of culture has become an integral part of the managerial concept so that a general understanding, that strategic changes should not be considered without fully reviewing the prevailing cultures that affect organisations, has arisen. Furthermore, diversity is an important aspect in this study because it needs to be managed in an organisation, even at senior levels. Given the diversity of the leadership team of TDA, if it is effectively managed the team could create a competitive advantage through improved productivity, creative thinking and innovative strategies.

2.10. Chapter summary

The literature review on culture has highlighted some key principles for the researcher:

- The definition of culture is similar across the board, although one may add variations, depending on whether the culture is ethnic, national or organisational. Nevertheless, it still constitutes a sharing of certain beliefs and values.
- Culture influences one’s every action, irrespective of one’s environment. Although the researcher addressed organisational culture, national culture and
host culture as three distinct topics, one can conclude that the boundaries separating these cultures are very close and, in some instances, may be blurred. An example of this would be how the GLOBE study derived the nine attributes based on Hofstede’s four dimensions, so that although in scale the GLOBE study was much bigger than Hofstede’s research, the results were very similar.

- The findings from both the GLOBE and Hofstede’s research will be used in the discussion of the results and of how these findings have affected and continue to affect TDA.
- The researcher could identify the model of the cultural web in TDA and some of these elements are so evident that the researcher has included them in chapter 5.
- Diversity management and its origins was also discussed in this chapter. It emerged that this subject is very delicate and that it is linked to policies such as affirmative action and how culture and globalisation have forced organisations firstly to move away from adhering to the policies and legal requirements of the affirmative action policies to a more integrated concept of diversity management and secondly to create a flexible structure which actually harnesses the diversity present in today’s organisation.

The key principles that were brought to the fore in this chapter have broadened the researcher’s perspective on the actual research problem and on how national, organisational and host cultures are intertwined, most importantly, in terms of how this cultural programming affects individuals in their day to day activities and decision making. Initially, when the researcher set out to investigate how these cultures affected the leadership style at Toyota, she did not expect to find such a huge body of interrelated information that attempts to explain cultural differences and how they influence an organisation, but more importantly, explains what type of leadership is required to run this new and modern organisation which is culturally diverse. The GLOBE study and the guidelines provided by Hampden-Turner and Trompenaars regarding the value dilemmas and guidelines for the new leaders are “just the tip of the iceberg” and new leaders will require unique skills that were not essential in the past.
The next chapter focuses on this challenge to understand leadership and its intricacies.
CHAPTER 3
LITERATURE REVIEW: LEADERSHIP

3.1. Introduction

Leadership is said to constitute a fundamental organisational competence. This is reinforced by Mbigi (2005) when he says that the “fish rots from the top”. As discussed in the earlier chapter, leadership is the second variable considered in this report and hence it is imperative to link it to culture so as to tackle the research problem of how the various cultures in play affect the executive team in TDA and their leadership styles, as depicted in Figure 1.1. This chapter will only attempt to survey the key elements of leadership since it is as broad a subject as culture.

For the purposes of this report, while situational leadership is discussed, the focus falls on African and transformational leadership. The researcher felt that it was necessary to understand that one’s environment does play a role in leadership, especially in discussing cross cultural leadership; hence the importance of situational leadership.

3.2. Leadership and culture

The focus in this section falls on organisational leadership and not on leadership in general. Here the researcher considers how culture influences organisational leadership and the leadership dimensions identified by the GLOBE study which are based on the culturally endorsed implicit leadership theory (CLTs).

The GLOBE study defined organisational leadership as: “The ability of an individual to influence, motivate and enable others to contribute toward the effectiveness and success of the organizations of which they are members”. This definition also draws from the earlier definition of leadership which also expects leaders to influence and motivate individuals around them to accomplish a specific task (Chokar, Brodbeck and House, 2007:1035).
The implicit leadership theory deals with the individual’s beliefs regarding the kind of attributes, personality traits, competencies and behaviour which are necessary. This belief system is referred to as consisting of prototypes which are assumed to exert an effect on the individual’s response with regards to accepting others as leaders. Furthermore, the GLOBE study argued that people with a common culture will share similar values and belief systems (Javidan et al., 2006:72).

The incorporation of culture gave rise to the CLT theory which empirically identified universally proposed leadership traits. The six dimensions of the CLT are (Chokar et al., 2007:1037):

1. Charismatic / Value Based: this dimension reflects a leader’s ability to influence, motivate and achieve targets through high performance.
2. Team Oriented: this refers to the leader’s ability to encourage teamwork and set a common vision and objectives.
3. Participative: this refers to the involvement of others in a leader’s decision.
4. Humane Oriented: this alludes to how considerate a leader is.
5. Autonomous: this refers to an individualistic style of leadership and how independent a leader is. This dimension is the opposite of participative, in that it can impede outstanding leadership.
6. Self-protective: this is an approach which tries to save face or protect oneself. This dimension tries to ensure the safety of an individual.

The identification of these universal leadership dimensions sets a foundation for expatriate leaders as it indicates the difference between cultures yet it identifies similarities which can be quite comforting. It also ensures that leaders are aware of their own behaviours; this self awareness could ease some of the conflicts that may arise.

3.3. Leadership in context

There is no single consensual definition of leadership and there is no illustration regarding its limits. Adding a cross-cultural component to the mix in leadership research renders the whole process even more complex (Dickson, Hartog and
Mitchelson, 2003:6). The definition of leadership should also take into account various contingencies that affect leadership behaviour. Morden (1997:519) reviewed the contexts that influence such behaviour:

- The characteristics of the leader: these refer to a leader’s value base, interpersonal skills, culture, leadership style and personal characteristics.
- The tasks and objectives to be achieved: the difficulty, structure, ambiguity and priority of the task.
- The individuals and subordinates who are the object of the leadership process, their value base, competencies, attitudes and context of the leadership process.
- The group or team that is the object of the leadership process: their team spirit and loyalty towards the leader.
- The context within which the leadership process takes place: organisational or cultural context, whether it is a once off activity or occurs over a period of time.
- Role expectations: the expectations of the leader vs. the expectations of a follower and potential mismatches that may occur.
- The favourableness of a particular situation: the quality of the relationship in a particular group, the task or situation as discussed above, the trustworthiness and strength of the leader.
- National culture: leadership behaviour will be influenced by one’s national culture (as discussed in chapter 2).
- Trust: it is suggested that societies that are characterised by low trust will be characterised by high power distance which embodies hierarchies and centralised styles of leadership. On the other hand, high trust societies require the leader to play the role of a facilitator where individuals are autonomous.

Situational leadership considers the leader’s environment and argues that it can influence a leader’s position. The above variables form part of the contextual factors that are discussed within situational leadership. The leadership theories that involve these factors are known as contingency theories which attempt to explain why a leader’s behaviour varies across situations (Yukl, 2006:214-216).
An important aspect of leadership should take into account one’s context or situation; therefore the earlier discussion on culture was significant for this report. Furthermore the review of African leadership is essential since the leadership team of TDA consists predominantly of Angolans.

3.4. African leadership in context

African leadership is discussed since Angola is a part of Sub-Sahara Africa, and as such, previous studies on African leadership cannot be ignored even though there is very little literature available with regards to Angolan leadership. The researcher felt that this aspect of leadership is fundamental to understanding the origins of the African leader’s participation in this study (Morden, 1997).

Emerging developing countries are currently faced with numerous leadership challenges. Businesses and other organisations are trying to cultivate and establish a sustainable leadership culture to lead the organisation into the future and achieve its true potential. Organisations today require a paradigm shift in order to develop a new cadre of leaders with a distinct focus on the teams and individuals who contribute towards the success of any organisation. This is especially true for Africa where organisations have entered a new era and are constantly challenged to incorporate best practices from the West to ensure survival and future sustainability (Mbigi, 2005:22).

“Africa needs a new breed of leadership that has the capacity to transcend daily stresses and pressures, and the limitations imposed by its history and current unfavourable circumstances, so as to grasp and create an attractive future” (Mbigi, 2005:22).

Jackson (2004:93) views the current leadership theories as “rhetoric”, wherein the West uses values such as teamwork, empowerment, performance management in contrast to African values, such as those pertaining to family and seniority which makes these a hard sell job in Africa. According to Mbigi (2005:1-3), the role of leadership in any given society is one of transformation. This ensures that communities grow and develop and that there is societal progress. Furthermore, he
avers that the role of African leaders in the past has been one of “cultural renewal”. This cultural stewardship has been neglected, which has led to a decline in the political, economic and social progress of Africa. African leadership is said to constitute four main lines of thought (Mutabazi, 2002:207):

- People’s relationship with life
- People’s connection with nature
- People’s relationship with other humans
- People’s relationship with God.

Mbigi (2005) reinforces the above characteristics in his statement that African leadership emphasises “Art in Leadership”. Furthermore, he opines that beauty, which can be heartening and inspiring, allows individuals to appreciate and identify with the beauty around them. Figure 3.1 illustrates the pillars of African leadership:

![Figure 3.1 Pillars of African Leadership (Source: Mbigi, 2005:219)](image-url)
The above paradigm is based on the African principle of Ubuntu, mentioned earlier, which is essentially “I am because we are”. Another key role of African leadership is the ability to transform the collective African story to overcome its limitations imposed by history and current economic situations (Mbigi, 2005:1). This has major implications for this study which aims to investigate the influence of culture on leadership within TDA, an organisation that is constantly influenced by African leaders. Furthermore, African leaders believe that transformation is the key in leadership. This further reinforces the objective of this report which aims to research transformational leadership via the Multifactor Leadership Questionnaire by Avolio and Bass who are considered the “gurus” of transformational leadership.

3.5. Origins of transformational leadership – authentic leaders

According to Avolio and Gardner (2005:317), leadership has always been more difficult in challenging times during which the type of leadership needed is authentic leadership. Authentic leaders can be described as leaders who are charismatic, transformational, spiritual or servant leaders. According to Parry (2002:75), authentic leadership is also defined as “ethical and pseudo-transformational leadership”.

The central premise of authentic leadership is that through increased self awareness (e.g. values, identity, emotions, goals and motives) and positive self regulation (e.g. positive emotions and positive social exchanges), the leaders develop authentic follower-ship that contributes to increased productivity and performance in an organisation. The success of an authentic leader will depend on his or her level of positive psychological capacities, such as confidence, optimism, hope and resilience (Avolio and Gardner, 2005:317).

3.6. Transformational leadership

In regards to transformation, it is critical to begin strategies with the end in mind. Transformation is a long and challenging process, dealing with the most complex of organisational resources, its people. This change in organisations is an output of the
transformational style of leadership. Kirkbride (2006:23) argues that transactional leadership is a traditional management style whereas transformational leadership provides a clear vision, mobilises employees or followers, leads by example and advocates organisational change.

Furthermore, as organisations need to become more competitive due to globalisation and their changing environments, there is a greater need to adopt transformational strategies in response to organisational change and the uncertainty that comes with it. The use of transformational strategies requires transformational leaders to institute this change (Schneider, 2003:39).

The methodologies regarding the key behaviours and attributes of transformational leadership form part of a leadership spectrum that includes transactional and laissez – faire leadership styles. Figure 3.2 below illustrates transformational leadership as being situated on the highest side of the spectrum whereas laissez-faire leadership is positioned at the lower end of the spectrum (Avolio and Bass, 1998:394).

Figure 3.2 Transformational Leadership Spectrum (Source: Researcher’s own construction)

Parry and Proctor-Thomson (2002:77) cited Bass who introduced transformational leadership to organisations in 1985. Bass identified four key factors of transformational leadership, which are described in Table 3.1 and are summarised below:

- Charisma or Idealised influence;
- Inspirational motivation;
- Intellectual stimulation; and
- Individual consideration.

Table 3.1 Qualities of Transformational and Transactional Leadership Styles

<table>
<thead>
<tr>
<th>Qualities of Transformational and Transactional Leadership Styles</th>
<th>Description</th>
</tr>
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<tbody>
<tr>
<td>Idealised attributes and idealised behaviours (transformational)</td>
<td>Leaders are seen as respected, trusted role models, they can be counted on and demonstrate high moral and ethical standards.</td>
</tr>
<tr>
<td>Inspirational Motivation (transformational)</td>
<td>Leaders’ behaviour motivates and inspires followers, team spirit is aroused, enthusiasm and optimism is displayed and both leaders and followers create positive visions of the future.</td>
</tr>
<tr>
<td>Intellectual Stimulation (transformational)</td>
<td>Leaders stimulate and encourage innovation, creativity and questioning of old assumptions. New ideas are welcomed and there should be no fear of mistakes or going against the grain.</td>
</tr>
<tr>
<td>Idealised attributes and idealised behaviours, inspirational motivational and intellectual stimulation constitute Transformational Leadership (Avolio et al., 1999)</td>
<td></td>
</tr>
<tr>
<td>Individualistic Consideration (transformational)</td>
<td>Special attention is paid to each individual's needs and differences. Effective Listening, developing of potential and personalised interaction are all components of this leadership style.</td>
</tr>
<tr>
<td>Contingent Reward (transactional)</td>
<td>Leader and follower agree on what needs to be done and for what reward.</td>
</tr>
<tr>
<td>Management - by- exception (active) (transactional)</td>
<td>Leader actively monitors errors, mistakes or any deviation from standards and norms.</td>
</tr>
<tr>
<td>Management - by- exception (passive) (transactional)</td>
<td>Leader passively waits until problem or mistake arises then reacts.</td>
</tr>
<tr>
<td>Laissez-Faire (transactional)</td>
<td>Non-transactional, necessary decisions left unmade, responsibilities of leadership ignored.</td>
</tr>
<tr>
<td>Individualised consideration and contingent reward constitute a Development Exchange</td>
<td></td>
</tr>
</tbody>
</table>

MBE-a, MBE-p and laissez faire constitute Corrective Avoidant Leadership.


Source: Parry and Thompson (2002:78)

Transformational leaders who possess the above mentioned characteristics are role models who inspire and are able to serve as challenging visionaries. Transformational leaders are also considered to be supportive, problem solvers and empathetic. They also transform followers’ attitudes and behaviour and develop strong emotional ties.
with them. These characteristics of transformational leaders allow leaders to excel in achieving challenging organisational goals and objectives (Parry and Proctor-Thomson, 2002:77).

According to Avolio and Bass (1998:394), transformational leaders do what is right for the organisation and tend to embed good ethics and morals within the organisation. Although transformational leadership is the desired leadership style, it refers to only the first half of the spectrum as presented in Figure 3.1. The other half of the spectrum includes transactional and laissez faire leadership styles.

3.6.1. Transactional leadership

Key factors of the transactional leadership style include:

- Contingent reward
- Management by exception, active
- Management by exception, passive,

Transactional leadership differs from transformational leadership in various areas. While transformational leadership aims to motivate employees to exceed company objectives, transactional leaders set rewards and link them to specific goals and objectives. It is also argued that although this has proven to be effective, it is not sustainable, nor does it motivate followers to exceed expectations. Passive management by exception is said to be worse than active management by exception, as the leader chooses not to actively monitor discrepancies or take corrective action (Avolio and Bass, 1998:394).

3.6.2. Laissez faire leadership

Laissez faire leadership or non-transactional leadership, according to Avolio and Bass (1998:395), is the “absence or avoidance” of leadership. Hartog, Muijen and Koopman, (1997:21) also emphasise that laissez faire leaders are neither “reactive nor proactive”. This style of leadership is also associated with a negative connection between the leadership style and the follower’s or employee’s attitudes and
performance. On the other hand, it is argued that a less active role may lead to the “empowerment” of followers and may even be beneficial to transformational leadership.

3.6.3. Towards transformational leadership

Leaders of organisations are sometimes side-tracked by complaints of poor work-life balance, allegations of discrimination, employment equity barriers and poor feedback. The measure of transformation has to be driven by output in terms of clear measurable targets and regular monitoring. Firstly, the goals of the organisation have to be defined, subsequently, targets can be set and responsibilities allocated. This must be built into key performance criteria so that people can be held accountable. Monitoring and evaluation of the transformation strategy should ensure that it remains relevant and leading edge. This brings the discussion to the important question of how transformational leaders may be developed.

According to Kirkbride (2006:31), the first step would be for organisations to note that other leadership styles do exist. The Multifactor Questionnaire (MLQ) developed by Bass and Avolio as part of their leadership development programme accommodates this and takes into account the full range of leadership models from the laissez-faire to transactional and transformational styles. The MLQ has been used in various instances and provides insight for an individual, the team and the organisation.

In essence, transformational leaders are those who inspire others by transforming their staff’s self interest into achieving the goals of the business by creating an enabling environment of a higher collective purpose of common mission and vision. Since transactional leaders are those who exchange benefits for benefits received, this would be achieved by means of negotiations between leaders and subordinates.

3.7. Chapter summary

This chapter covered the discussion on leadership, with particular emphasis being placed on the transformational leadership theory which constitutes a key area of the research. It begins with key principles of culturally endorsed leadership theory which
are central to the above mentioned research problem. The literature review presented in this chapter also focused on the nature of leadership and the principles that govern it. The conclusion which can be drawn is that leadership behaviour is an output of multiple variables. The key variables that the researcher set out to investigate, as in Figure 1.1, are really very much interrelated, and the finding that culture is a major influencing factor in leadership as identified in the studies of GLOBE and Hofstede renders this report quite relevant.

It also reviewed African leadership since the organisation is based in Angola and as such is influenced by African leaders and concepts, such as Ubuntu, which the Western leadership style tends to ignore. Furthermore, it was found that African leadership is influenced by the concept of “I am because we are” which is quite opposite to the Western belief in individualism. Another important finding is that African leaders are currently faced with the demanding challenge of having to consolidate Africa’s fairly recent history of colonialism, having to put poverty and HIV and Aids into context, having to deal with economies which are agriculture led and land reform initiatives, all of which Western economies do not really face (Mibigi, 2005:175-179). This important finding has implications for the results of this report and influences the researcher’s recommendations in chapter 7. The above mentioned concept is related to Hofstede’s dimension of Collectivism and Individualism and one could argue that this dimension holds true for African Leadership since Africans may adopt an individualistic approach, which creates conflict, especially in a business environment (Barnes, 2010).

It also puts into context the second key variable as defined in chapter one. Before one can discuss the results of culture, one has to understand the underlying principles of leadership, more specifically, the leadership culture of Africans, since, to the researcher’s knowledge, there is no specific study that has reviewed Angolan leadership. The researcher identified the underlying principles of African leadership as discussed above. This is necessary because even though there are various national cultures in play one can say that African leadership is still predominant in Angola; just as national cultures influence the host culture, the host culture also affects the national culture of the expatriates, especially since they are outnumbered in Angola.
Furthermore, leaders may change in view of the situation or environment which is relevant to identifying the leadership style, given the culture at TDA and the Angolan environment. Therefore, their leadership style or behaviour could be influenced and actually alter from their predominant styles, given a different environment.

The key insight gained from this literature review is that the basis of behaviour in terms of leadership is very strongly influenced by the culture in which one is raised and that the leadership style is an output of the “mental programming” to which one is exposed. Further to this, leadership in its own right is a very complex subject and is influenced by different variables. The discussions thus far have been an effort to gather existing information regarding the subjects of culture and leadership. The chapter below will describe the process that the researcher will follow in order to acquire primary data with regards to the sample group presented in this report.
CHAPTER 4
RESEARCH METHODOLOGY

4.1. Introduction

This chapter serves as the blueprint for the collection and analysis of the research process. It also puts into perspective the researcher’s choices regarding the methodology. Furthermore, it enabled her to gain a thorough understanding of the resources that would be needed to achieve the research objectives. These are aimed at investigating how the various organisational, Angolan (host) and expatriate (national) cultural attributes impact on the leadership style of the top management team of TDA.

4.2. Research design

This is a formal, descriptive study. The methodology that is used to analyse the impact of culture on expatriate leadership at TDA will be based on the following research and investigative questions as defined in chapter 1. As previously mentioned, the main research question for this report is:

- What is the relationship between the cultures which influence Toyota de Angola and how do they influence its leadership style?

Further to the above research question the researcher made use of investigative questions, as identified in chapter 1. These questions are used to clarify and correlate the demographic data obtained to the main research question.

- To identify the various leadership styles that exist within the top management of Toyota through the use of the Multi Factor Leadership Questionnaire.
- To review any leadership similarities or differences within the various cultural groups that exist in the top management team of TDA.
- To determine the effects of one’s demographic background on the use of transformational, transactional or Laissez faire leadership styles, for example,
whether length of time within the organisation and one’s gender affects one’s leadership style.

### 4.2.1. Field Procedure

This cross-sectional study was carried out once in this study and represents a snapshot of TDA (Cooper and Schindler, 2001:136). The researcher obtained verbal approval from the organisation to participate in this part of this research and then requested formal authorisation in the form of an e-mail as per appendix 3.

This report makes use of quantitative statistical analysis. The use of such methods enables the researcher to furnish an objective view on quite a subjective issue (Bryman and Bell, 2003:413).

At the completion of the literature review, it was decided that the best tools for this report would be the Multi factor Leadership Questionnaire. The reasons for utilising the MLQ questionnaire follow:

- The MLQ was designed to expand on the leadership dimensions that have been used in previous leadership studies and to provide concise computerized feedback, for organisational development, to individuals and teams (Avolio and Bass, 2008:3).

- The questionnaire has been developed and has evolved over the last 25 years. It has built on past leadership paradigms such as participative versus directive and autocratic versus democratic leadership styles to form a new paradigm of transformational, transactional and passive or avoidant leadership styles (Avolio and Bass, 2008:3).

- The MLQ assesses the perception of leadership effectiveness based on behaviours that represent avoidance of responsibility and action to behaviours that are perceived to influence performance. These perceptions may be gathered from many different levels in an organisation (Avolio and Bass, 2008:3).
The MLQ is also based on an easy to understand model by means of which it points out a leader’s performance regarding a range of leadership styles and links the model to a specific performance outcome (Avolio and Bass, 2008:3).

Finally, the researcher selected this questionnaire as it would help the researcher to:

1. determine whether a specific cultural group within the TDA leadership team possesses a specific leadership style; in conjunction with demographic information,
2. whether the organisation’s culture or the host culture has any influence on one’s individual leadership style;
3. to identify the relationships between the cultures and leadership styles so that the organisation can optimise them, which is the main research question for this study.

In order to clarify and ensure appropriate use of the MLQ, Mind Garden was consulted by the researcher. The questionnaires were administered in the month of July and the responses were obtained within two weeks. This was possible as the researcher was an employee of the organisation and in addition, it was a web based questionnaire which allowed for fast retrieval of the responses. The participants were guaranteed the confidentiality of the results and they were provided with a copy of their individual reports. They were also informed that their participation was voluntary and the time required to fill in the questionnaire was 15 minutes. The participants were also sent a demographic questionnaire separately which they filled in and returned to the researcher. The researcher then proceeded with the consolidation of the results.

Because the researcher made use of questionnaires, it is important to note that there are several advantages and disadvantages in this regard. These are discussed below in Table 4.1.

<table>
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<tr>
<th>QUESTIONNAIRES</th>
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<tr>
<td>Advantages:</td>
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<tr>
<td>• They are perceived as being more anonymous.</td>
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</table>
4.2.2. Case study

A case study design was also employed for the purposes of this study, as the researcher has attempted to highlight the distinctive features of this case. An “embedded case” study is employed because the case consists of more than one unit of analysis. The units of analysis for this study constitute the five nationalities that form part of the expatriate leadership at TDA while the Angolans form the sixth nationality. Furthermore, the case study approach was adopted because the research has been delimited to one organisation (Bryman and Bell, 2007:62).

One of the greatest drawbacks of case studies is the lack of external validity, because the findings of one case cannot be generalised to all cases. It is also important to note that even though there is a tendency to generalise case studies, the tendency in most instances is to generalise the key questions and not necessarily the findings. This is important since what validates a study is the fit between the findings and the theoretical background. It has also been stated that additional research will be necessary to support generalisations as the population used here consists of 15 members, which is a very small population base.

The report included statistical analysis designed for depth rather than breadth as it focused on the contextual analysis of the events. The document will attempt to capture the characteristics from the sample by drawing a conclusion from the sample based on the data collected from the MLQ and the demographic information. The presentation of the findings was based on the representativeness of the sample and the validity of the design (Cooper and Schindler, 2001:137).
4.3. Sampling

As this study is based on a relatively small population, a sample was not used. The questionnaires and interviews were administered and conducted with all the 15 members of the population. This was also necessary as the elements are quite different from one another. Therefore, there is no risk of sampling error or bias occurring, thus rendering this study accurate and precise (Cooper and Schindler, 2001:165).

The participants were contacted directly by the researcher who works in the organisation and is a part of the TDA leadership team, which currently consists of 15 individuals. The said team is culturally diverse in that it consists of six nationalities. The ages of the individuals range from 25 to 61. There are also five women on the team. The current team is fairly new in that many of its members have been part of the team for less than a year. They have been recruited so as to fill in the gaps that have been created by the tremendous growth which the organisation has experienced and continues to do so.

The five nationalities referred to are Brazilian, South African, Angolan, Portuguese and Mozambican. The diversity that is present in the top management team is very rare in Angolan organisations, which poses interesting challenges to the organisation, while it also provides an excellent opportunity to bring together the various ideas and innovations that such diversity brings. This type of diversity also requires the leaders to be open minded and to ensure that expectations of one another are explicitly presented. This is especially important as the management philosophies need to evolve in harmony with the cultures within which they operate (Booysen, 2001:37).

Although the focus falls on the expatriate leaders (representing five of the study units mentioned above) it is important to include the Angolan leaders (the sixth study unit) in the research in order to gain a better understanding of the host culture. The main criterion for selecting the population was that leaders needed to be part of the top management team at TDA. The population is quite diverse, as mentioned above, which posed several challenges for the researcher in terms of language. Although they
all speak English, it is not their first language. This also leads to misunderstanding certain questions and could have affected their responses.

To establish the Angolan leadership style, the researcher selected five Angolan individuals who are external to the organisation to ascertain their leadership style. Five employees in lower levels of the organisation were selected to ascertain their impression of the leadership style of Toyota.

4.4. Data collection

The researcher made use of primary and secondary data. Primary data has been defined as “data collected for a specific purpose”, whereas secondary data has been defined as “data collected for other purposes” (Saunders, et al., 2007:246).

Secondary data Collection

The researcher made use of “compiled data”, which is data that has been summarised. The researcher made extensive use of ad hoc surveys in the form of the GLOBE literature and Hofstede’s survey on the four cultural dimensions. Furthermore, written documents such as journals were also used (Saunders, et al., 2007:248). The researcher felt that it was important to make use of secondary data as this not only provided insight and guidance for this research but also enabled the researcher to triangulate her findings based on this research.

The dimensions of Hofstede helped provide this study with a foundation for identifying areas of differences within different cultures. Hofstede’s research and rating of various countries with regards to the said dimensions enabled the researcher to correlate the findings between the results of the MLQ and Hofstede’s findings. As indicated, the GLOBE study built on Hofstede’s four cultural dimensions and arrived at nine dimensions, thus broadening the scope of the study. It also correlated aspects of the new leadership paradigm as designed by Avolio in 1985 in his study, which furnished further insight into how the leaders in different countries rate with regards to the cultural dimensions; Javidan, et al. (2006:70). The researcher will correlate the
findings of this study with those of the aforementioned study in order to enable the researcher to answer the key research questions.

**Primary Data Collection**

Data that is collected for a specific study, as mentioned, is generally known as primary data collection. There are numerous ways in which one could collect this data, some of which are surveys, questionnaires and face to face interviews (Diamantopoulos and Schlegelmilch, 2000:5)

**Questionnaire Administration**

The researcher made use of a web based tool to administer the multifactor and demographic questionnaires. For the MLQ, Mind Garden provided the researcher with a web page where the names and e-mail addresses of each participant were provided (Mind Garden, 2008).

The participants received a personalised e-mail from Mind Garden requesting them to complete their self-rating. The leadership team was assessed individually and their individual responses were then compiled into the group leadership profile. The questionnaire rated each individual’s leadership style and categorised these in terms of transformational, transactional and laissez faire leadership styles. Once completed, the researcher was notified; Mind Garden generated the results and provided the researcher with a link to the reports so as to allow the researcher to save the data files (Mind Garden, 2008). In order to collect the demographic data, the researcher sent personalised emails to the participants for completion. These were returned to the researcher in an electronic format.

**4.5. Measuring instrument**

In the quantitative form, this report employed the MLQ developed by Avolio and Bass in 1985. It is also coupled with a demographic questionnaire as in Appendix 1. The MLQ is used as it assisted the researcher to resolve the research questions based on the following points (Mind Garden, 2008):
• The MLQ measures key leadership and effectiveness behaviours: according to the literature review, a strong link exists between individual success and organisational performance; in this regard the researcher is investigating how the culture of an individual affects the leadership team at TDA.

• The MLQ has been used in over 30 countries, in many different industries and in many languages. It has proven to be an effective tool for developing leaders as it provides a very detailed report that is useful for training and coaching. It has also been applied in many studies, especially in the leadership field, since it measures a full range of leadership styles.

• The MLQ contains 36 leadership items: there are four items per scale which are rated on a frequency scale and nine outcome items which allow the researcher to identify the performance outcomes in the same questionnaire.

• The MLQ, owing to the way in which it is administered by a third party, also makes a difference to this research as the raters are less likely to inflate their responses, given the independent authority.

**Theoretical Background to the Multi-Factor Leadership Questionnaire**

The MLQ originally started out as a questionnaire to confirm the transformational leadership theory that was first distinguished from transactional leadership in 1973. Further to the identification of transformational leadership, organisations were also changing focus by adopting strategies that improved quality and focused on speed rather than quantity (Drucker, 1993). This led to numerous studies on leadership which initially included charismatic and inspirational leadership. Subsequently, it was identified that although the confirmatory factor analysis fit indices indicated the existence of five leadership components, the transformational factors were highly correlated and did not possess a strong “differential relationship” (Bycio, *et al.*, 1995:474). Therefore adjustments to the original questionnaire were made and the questionnaire is currently used to develop and coach leaders to become transformational leaders; it has been reviewed various times during the last 20 years to ensure that it is an effective tool for leaders, trainers and researchers. The questionnaire reviews a full spectrum of leadership styles, which is the reason the researcher selected it as the principal method for data collection. Below is a list of the
key components of the questionnaire as discussed in chapter 3 of this report (Mind Garden, 2008):

**Transformational Leadership:**
- Idealised Influence (AB/II)
- Idealised Attributes (IA)
- Idealised Behaviours (IB)
- Inspirational Motivation (IM)
- Intellectual Stimulation (IS)
- Individual Consideration (IC)

**Transactional Leadership:**
- Contingent Reward (CR)
- Management-by-Exception: Active (MBEA)
- Management-by-Exception: Passive (MBEP)

**Laissez-Faire (LF)**

**Outcomes of Leadership:**
- Extra Effort
- Effectiveness
- Satisfaction with Leadership

Finally, the entire range of leadership styles is said to be influenced by various factors as discussed in the literature review, therefore the author will present them briefly here. While there are many issues that affect the model of the full range of leadership, there are two that the researcher felt were important to mention:
- Organisational Culture: is strongly influenced by the leadership style of the leaders since the leadership style of the top levels is symbolised and encouraged at each level of the organisation. For example, if the leadership team is concerned about organisational revitalisation then its members are most likely to encourage innovation, transparency and consultation by ensuring that appropriate structures and processes are in place (Mind Garden, 2008).
• Individualism versus Collectivism: this is one of Hofstede’s dimensions that was discussed in Chapter 2. The MLQ “theory, model and measurements originated from the individualistic culture in the United States, but it may be even more applicable in the collectivist societies of Japan, China, Korea and elsewhere in East Asia. Collectivist cultures provide leaders with ready-made opportunities to become transformational leaders” (Avolio and Bass, 1998:393).

The above discussion aims to provide background information regarding the development of the MLQ. For the purposes of this report the questionnaire was purchased by the researcher and administered accordingly. The questionnaire is currently being commercialised by Mind Garden who administered it via the web and provided the researcher with the findings. The report makes use of the improved version of the questionnaire; the nature of the findings is discussed below (Mind Garden, 2008; Yukl, 2006:263).

The questionnaire was a self-rated one, unlike the original MLQ whereby feedback from colleagues (peers or subordinate) is required. It measured how frequently the leader demonstrated specific leadership behaviour. It also aimed to review how frequently the leader would like to have demonstrated this behaviour. An example of the questionnaire can be found in Appendix 2. For copyright purposes and as required by the terms and conditions of Mind Garden, only a part of the questionnaire is attached in the Appendix (Mind Garden, 2008).

4.6.1. The Multi-Factor Leadership Questionnaire (MLQ): Validity and Reliability

As mentioned above, the researcher opted for this questionnaire because it reviews three main categories, the transformational, transactional and laissez faire leadership styles. These three categories form an integral part of this report; the responses are used to answer the research questions. The questionnaire is also valid across cultures and various types of organisations. This is important as the questionnaire will be administered to the fifteen culturally diverse leaders at TDA.

Furthermore, the MLQ also possesses excellent validity and reliability. While it has also proven to be a strong tool in predicting leadership qualities, it has also been
evolving, which afforded added value to the various studies for which it has been used. In addition, it has been used in previous research to review the link between national culture and Leadership.

The MLQ has been used in over 200 studies in over 30 countries where many of these studies have employed factor analysis to assess its construct validity. Most of the studies were able to identify and support distinctions in transformational, transactional and laissez faire leadership as “broad meta-categories” (Yukl, 2006:263, Hughes et.al., 2002:416). Furthermore, its use has also deemed it reliable in identifying transformational leaders, and is strongly correlated with leadership and organisational effectiveness. The fact that there is a high correlation among transformational behaviours poses a challenge when one is identifying the independent efforts of the leaders.

The developers of the MLQ stated that the “refinements to these leadership factors do not negate the theoretical relevance or the significance of the original 6-factor model. Rather, they present an attempt to define more precisely the constructs associated with leadership style and behaviours that constitute what Avolio and Bass (1991) have labelled a ‘full range’ of leadership. The ‘full range’ of leadership includes dimensions which are highly transformational at one end to those which are highly avoidant at the other end” (Mind Garden, 2008).

Validity tests on the MLQ have been conducted since 1985. The base model that has been used to test the construct validity of the instrument is that of confirmatory factor analyses (CFA). This form of analysis is widely used for testing psychometric properties because it tests the pre-specified factor structure while the goodness of fit tests the resulting solutions. The tests also included a Chi-square difference test and the size of factor loadings for items representing constructs. This allowed the researchers to estimate convergent and discriminant validity of tests. The results are presented in Table 4.2 below:
Table 4.2 Reliability Results for the Multifactor Leadership Questionnaire

<table>
<thead>
<tr>
<th>Fit measure</th>
<th>Rater (self)</th>
<th>Rater (above)</th>
<th>Rater (same)</th>
<th>Rater (below)</th>
<th>Rater (not specified)</th>
</tr>
</thead>
<tbody>
<tr>
<td>GFI*</td>
<td>0.93</td>
<td>0.91</td>
<td>0.92</td>
<td>0.91</td>
<td>0.91</td>
</tr>
<tr>
<td>AGFI**</td>
<td>0.91</td>
<td>0.69</td>
<td>0.90</td>
<td>0.90</td>
<td>0.89</td>
</tr>
<tr>
<td>CFI***</td>
<td>0.89</td>
<td>0.91</td>
<td>0.91</td>
<td>0.91</td>
<td>0.91</td>
</tr>
<tr>
<td>RMSEA****</td>
<td>0.05</td>
<td>0.05</td>
<td>0.05</td>
<td>0.05</td>
<td>0.05</td>
</tr>
</tbody>
</table>

*Goodness of fit index  
**Adjusted Goodness of Fit Index  
***Comparative Fit Index  
****Root Mean Squared Error of Approximation

In conclusion, "The reliabilities for the total items and for each leadership factor scale ranged from 0.74 to 0.94. All of the scales reliabilities were generally high, exceeding standard cut offs for internal consistency recommended in the literature" (Mind Garden, 2008). Further to this, the founders of the MLQ have asserted that any leadership survey has its limitations, but they have “set out over the last 20 years to provide the very best validation evidence for the MLQ.... we have seen a tremendous
amount of consistency across raters, regions and cultures in support for the nine factor full range model” (Mind Garden, 2008).

4.6.2. Demographic questionnaire

In addition to the MLQ, the researcher also administered a demographic questionnaire in order to gather data regarding the leader’s nationality, age, gender, number of years of experience, time with the organisation and within the country (see Appendix 1). This data was analysed in conjunction with the MLQ.

The demographic descriptors for the study included:

- Gender
- Age
- Nationality
- Years in the Organization
- No. Of Years Living in Angola.

4.7. Data analysis

The data was analysed in various groupings, individually, and subsequently, either as a comparison or as a component of a particular unit of analysis. The primary data comprising the MLQ and the demographic information was first analysed. The secondary data focused on culture and leadership. The researcher was able to draw conclusions from the GLOBE study and Hofstede’s cultural dimensions which were extensively discussed and tried to link certain cultural attributes to transformational leadership.

Primary data analysis

Mind Garden provided the researcher with a profile of each individual participant as well as a report on the team of TDA. The report included the leadership profile self scores on the three main meta-categories as discussed below:

- Transformational Leadership:
1. Idealized: Attributes (IA)
2. Behaviours (IB)
3. Inspirational Motivation (IM)
4. Intellectual Stimulation (IS)
5. Individualized Consideration (IC)

- Transactional Leadership:
  - Constructive: 6. Contingent Reward (CR)
  - Corrective: 7. Management by Exception: Active (MBEA)

- Passive – Avoidant Behaviors:
  - Passive 8. Management by Exception: Passive (MBEP)

This above categories are reflected in Figure 4.1 below. The various profiles have been colour coded for easy identification. The MLQ also measured the extra effort an individual perceives as being put into their leadership, and the individual’s perception of the individual, unit and organisational effectiveness ratings.

![Figure 4.1 Leadership Profile for Self Scores (Extracted from Mind Garden, 2008)](image-url)
The data is analysed in nine parts as mentioned above. Each of these is measured by means of four questions as represented in Figure 4.1, since they overlap with one another. The 36 questions in the questionnaire are reviewed in the form of a bar chart; the participants rate themselves on a 5 point Likert scale as depicted in figure 4.2 which provides an example of the result of a participant’s response to a question.

**Figure 4.2 Example of a Leader’s Profile (result). Extracted from Mind Garden, 2008**

A Likert scale is defined as a “variation of the summated rating scale, this rater agrees or disagrees with statements that express either favourable or unfavourable attitudes toward an object. The strength of the attitude is reflected in the assigned score and individual scores may be totalled for an overall attitude measure” (Cooper and Schindler, 2001:765).

The use of the Likert scale helped the researcher to compare individual responses to the group’s response. It also facilitated the measuring of a participant’s perception. Mind Garden also provided the researcher with a report of the team’s overall findings, and these were analysed in conjunction with the findings of the GLOBE study.

Furthermore, the following steps were employed to appropriately analyse the data:

- The data was be collected and entered into an Excel spreadsheet in order to be analysed.
- Analysis of variance analyses (ANOVA) was applied to the data to test if there were significant differences between the different leadership scores of the different demographic variables. ANOVA is a technique that is used to compare groups on possible differences in the mean of a quantitative variable (Klugkist, 2008). Separate analyses of variance were conducted on each of the independent variables: gender, leadership years, age, etcetera. ANOVA was
also used as the researcher had repeated measures, given that the MLQ asked each rater to evaluate his Actual vs Ought; this is the report employed by the researcher.

- The data collected for the purposes of Angolan leadership and Toyota leadership are presented in the format adapted from Mind Garden because the sample is very small. The results were also added to the summary statistics where applicable in order to indicate a correlation between the Angolan and Toyota’s leadership as well as the participant leadership team.

- Summary statistics of the responses to each individual question are presented as frequencies, i.e. the counts of how many respondents selected a particular response. These frequencies are illustrated by means of pie charts, used in cases where the respondents are allowed to choose only one alternative, or bar charts, which illustrates the share of the total number of respondents opting for each choice. The leadership styles will be reflected in terms of average scores.

- The data are presented in Chapter 6 and the findings discussed in Chapter 7.

- Chapter 6 will furnish the demographic information and subsequently, the ANOVA analysis of the questionnaire applied to the leadership team. Where applicable, it will draw from the information of the secondary data in order to provide a holistic view of the study.

**Secondary data analysis**

The second analysis was conducted on the secondary data reviewed in the literature study. The information reviewed, being vital to this study, provided the foundation for this report since it draws together the leadership and cultural views. The secondary analysis includes the following:

- The ratings of each country with regards to the GLOBE study in terms of the different dimensions.

- An analysis of how each country rated regarding Hofstede’s dimensions.

- A comparison of the leadership styles and the different Angolan, Toyota and TDA leadership teams based on the primary data analysis.
Finally, the researcher considered the two analyses as a whole whereby the secondary and primary data collected were combined in order to respond to the initial research question and objectives that were set out for this report. The lack of either would not have allowed for a well rounded analysis.

4.8. Chapter summary

In summary, the chapter outlined the structure of the investigation and the main milestones of this study. It also considered the most important resources that would be needed and how these were to be allocated. Time and costs (the researcher opted to utilise the services of Mind Garden) were identified as being the two most important resources.

In many instances, the researcher made use of existing information regarding a particular design, which provided an understanding as to why a particular method was selected. The advantages, disadvantages and implications of these were also discussed in order to assure the appropriate use of a particular method.

The following chapters will consider the results of the questionnaires. Chapter 5 will furnish details with regards to TDA, which, as an organisation, will place Angola in context as an important part of this research.
CHAPTER 5
BACKGROUND INFORMATION ON TOYOTA DE ANGOLA

5.1. Introduction

This chapter begins by furnishing some information regarding Toyota Motor Corporation and subsequently, the Toyota Tsusho Corporation, which holds a 100% stake in TDA. This background is important since these companies contribute directly to the organisational culture found at TDA.

The author furnishes a brief overview of Angola and provides some statistical information regarding the country and subsequently, some insight into the cultural factors that play a key role in Angolan Leadership.

5.2. Toyota at a glance

Toyota Motor Co. was established as an independent and separate company in 1937. Toyota has grown to a large multinational corporation from where it started and has expanded to different worldwide markets and countries by becoming the largest seller of cars in the beginning of 2007 and the most profitable automaker ($11 billion in 2006). The headquarters of Toyota are located in its home country in Aichi, Japan. Toyota enjoys a large market share in the United States, but a small market share in Europe. It also sells vehicles in Africa and is a market leader in Australia. Due to its Daihatsu subsidiary, it possesses significant market shares in several fast-growing Southeast Asian countries (Toyota Motor Corporation, 2008).

Toyota has factories all over the world, manufacturing or assembling vehicles for local markets, including the Corolla. Toyota operates manufacturing or assembly plants in Japan, Australia, Canada, Indonesia, Poland, South Africa, Turkey, the United Kingdom, the United States, France, Brazil, and more recently Pakistan, India, Argentina, Czech Republic, Mexico, Malaysia, Thailand, China, Vietnam, Venezuela, the Philippines, and Russia (Toyota Motor Corporation, 2008).
Toyota has invested considerably in cleaner-burning vehicles such as the Toyota Prius, based on technology such as the Hybrid Synergy Drive. In 2002, Toyota successfully road-tested a new version of the RAV4 which ran on a hydrogen fuel cell. *Scientific American* called the company its *Business Brainwave of the Year* in 2003 for commercialising an affordable hybrid car. In the Toyota philosophy, “zeronise” consists of reducing pollution, traffic deaths and road congestion (Toyota Motor Corporation, 2008).

The Toyota Tsusho Corporation (TTC) is one of Toyota’s largest organisations. It is based in Nagoya, Japan and is one of the largest trading companies in Japan (6th largest in the world). Toyota Tsusho has a world-wide presence through its many subsidiaries and operating divisions (over 100 offices, and 500 subsidiaries and affiliates around the world). Its main business is to support Toyota Motor’s automobile business and other Toyota Group companies. In reality, Toyota Tsusho’s business is very diverse, spanning the industrial, commercial, and consumer sectors. Business areas run the gamut from industrial raw materials, agriculture, to high technology (Toyota Tsusho Corporation, 2008).

The Toyota Tsusho Group has formulated VISION 2015 “LEAD THE NEXT” to guide its efforts in achieving sustained growth well into the future. The highest priority is to generate an equal share of earnings from automotive and non-automotive fields by 2015. Initiatives are already under way to reach this goal.

In the automotive field, Toyota Tsusho aims to accelerate growth by continuing to allocate resources to reinforcing existing functions and creating new ones, in response to projected expansion in the global automobile business and production. At the same time, Toyota Tsusho plans to further accelerate growth by forming stronger ties with automakers outside the Toyota Group (Toyota Tsusho, 2007:01).

As part of its business strategy and as TTC’s overseas automobile markets continue to grow, the Automotive Division opened an additional 21 new automotive retailers in the Financial Year 2007, concentrated in China and Europe. The Automotive Division is working on developing systems that will enable affiliated automotive retailers in various regions to share information and best practices with each other, so that they can
create synergies. Guided by the policy of “Providing satisfaction and the best purchasing and ownership experience in the automotive industry”, its aim is to continue to rapidly develop the global retailer business. As stated in the annual report (Toyota Tsusho, 2007:22):

“*We are trying to share a common corporate culture and action guidelines at our Automotive Retailers while respecting the policies of distributors in each country. In this manner, we are developing customer-oriented, No. 1 automotive Retailers that become ‘Models of Success’ for other retailers in every country and region.”*

**Toyota de Angola (TDA):** is a TTC associated company and a distributor in Angola (Toyota Tsusho, 2008). It was founded on the 4th of April 1991 as a joint venture with Lonrho. In 2001, Lonrho withdrew from Africa and Toyota Tsusho Corporation bought Lonrho shares and became the sole shareholder of TDA (Toyota de Angola, 2008).

The organisation’s vision is (see Appendix 4):

*The Customers Choice through the best quality services and passionate people*

TDA, being an associated company, has been influenced by the Japanese and Angolan manner of functioning in many ways. But, it is important to state that although there have been various cultural influences on TDA, the most influential culture has been the Toyota way, and as observed by Likert (2004:xi), “*the Toyota way is not the Japanese way or the American way*”. It is in essence the way that Toyota views its world and does business. The Toyota way, along with the Toyota Production System, make up Toyota’s “DNA”. This DNA was born with the founders of the organisation and continues to be developed and nurtured in the current and future leaders.

The two main pillars of the Toyota way, according to Likert (2004:xi), can be summarised as “Continuous Improvement” and “Respect for People”. Continuous Improvement, also known as *Kaizen*, defines Toyota’s basic approach to doing business – challenge everything and with passion. This philosophy constitutes more than an individual’s commitment to contributing to improvement. The true value lies in
creating an atmosphere of continuous learning and an environment that not only accepts, but also embraces, change.

An environment of continuous learning can only be created where there is respect for people – the second pillar of the Toyota Way. Toyota demonstrates this respect in numerous ways; for example, providing employment security, engaging staff to continuously improve their jobs and encouraging their participation to build a team spirit. Managers are given the responsibility to develop and nurture mutual trust and understanding among team members. They are also responsible for motivating and ensuring people work towards a shared common goal, through their participation and contribution of ideas.

The Toyota way is often brought into the environment of TDA which can be clearly seen in its value system. The key values for TDA have been identified as being Respect for People, Challenge with Passion and Performance Excellence (TDA Strategic Plan, 2007).

Furthermore, these values become more apparent during the recruiting, screening and hiring of staff at TDA. People are hired for their attitudes and are trained in skill. The key attitudes observed are humility, keen on learning and positive attitude to change. For managerial positions, another key aspect that is observed is willingness to lead by example and the ability to “walk the talk” (Conversation with CEO, 2008).

Finally, TDA has also adopted various local characteristics which are most evident in the functions held by the organisation for employees and for clients. The photographs in Figure 5.1 and 5.2, not only highlight the African roots of the organisation but also show elements of Japanese origin.

![Figure 5.1 Launch of the Land Cruiser 2007](image)

The picture highlights the balloons which are frequently used in the Japanese culture while the ethnic dance group shows how Angolan culture is integrated.
The reception area of TDA contains a Maneki Neko – the literal translation from Japanese into English is “a cat with signals”, which is frequently used in Japanese stores to welcome customers and to keep away the bad spirits. The white signifies purity and the outstretched arm swings up and down in a gesture to welcome the customers.

**TDA and its life cycle:** TDA has been propelled into a growth phase owing to the Angolan economic boom. From a company that experienced major restructuring during the 90s, it has grown into one of the most prominent companies in the Angolan automotive industry. It is the market leader with a market share of nearly double its closest rival.

The rapid growth that the organisation is facing has exerted significant influences on the once close knit organisation. In 2005, according to the company’s strategic plan, it had 175 employees with two main sites in Luanda and one in Lobito. Currently, the company has 534 employees, four main sites in Luanda and two in Lobito. The company also projects that two new sites will be up and running by the end of the 2010 financial year. Furthermore, the company’s profit is predicted to increase by an average of 13% for the current financial year (2008) in comparison to the previous year (2007) and an increase of 20% is predicted for the financial year 2010 (TDA Strategic Plan, 2007).

**TDA and globalisation:** TDA has not been immune to the influences of globalisation. Although this does open many opportunities for business, it also creates major challenges. The challenge lies in understanding and appreciating cultural values, practices, and subtleties in different parts of the world. Experts on the international business arena agree that to succeed in global business, managers need the flexibility to respond positively and effectively to practices and values that may be drastically different from that to which they are accustomed. Furthermore, such success requires
the ability to be open to ideas and opinions. Being global is not just about “where you do business, it is also about how you do it” (Javidan and House, 2001).

As part of a multinational organisation, TDA has also been affected by globalisation, all the more so now that the Angolan economy has entered a boom with foreign direct investment reaching 10.3 billion dollars in 2004. This inflow has also brought with it an influx of skilled labour from various nationalities and cultures in order to provide support and fill the current skills gap for various organisations especially, within the oil, construction and diamond sectors (Country Profile, 2006:38). Growth in these sectors has also created an increasing demand in the automotive sector which has led TDA to become a key player in its external environment, as well as making numerous investments in Angola. This has become a necessity for TDA if it is to maintain its market share, ensure customer satisfaction and create a sustainable future.

These recent developments have been characterised by a dynamic and unstable environment where change is constant, in the true sense of the word. This has required leaders to be flexible and innovative in ensuring that organisational goals are met and people are united by a common vision (Yukl, 2006:265). Given the growth, leaders in Angola have had to demonstrate their ability to articulate a new vision and strive towards organisational change. TDA has been actively engaging its leaders, through various programmes, to create a leadership creed that can take the organisation into the new phase and ensure sustainability. The organisation’s most prominent leadership development initiative has been the Performance Excellence programme that has been running over the last 3 years within the organisation (TDA Strategic Plan, 2007).

The performance excellence programme consists of various components, among which the most prominent are: Performance Management, Coaching and Mentorship, Communication, Kaizen and Conflict resolution. The objective of these programmes is to ensure that TDA is a continuously learning organisation with a leadership team that is able to achieve the company’s ambitious objectives as well as possessing the ability to motivate and inspire staff in the shared vision of the organisation.
**Values of the founder:** At TDA, another key aspect to consider is that of the personal values of the current president of the company, Mr. Nuno da Silva, who was the founder of TDA in 1991 and has recently returned after a 5 year interval. His key personal values are evident within the organisation. Some examples are respect for people; he truly leads by example whereby he always greets his staff, never raises his voice or discriminates against people regardless of their race, age or sex. He has empowered women within the organisation, as a result of which the top management team, which consists of 15 members, includes 5 women (within the Angolan context this is very rare).

Furthermore, he has been identified as a visionary and is always looking toward the future and wanting to create sustainability, by emphasising the hiring of women and training and ensuring that growth opportunities are available at all levels. He also focuses on hiring staff who buy into and share his vision. Lastly, Mr. Nuno uses various opportunities to personally build these values into the organisation by talking to many employees and, with extraordinary persistence and passion, ensures that the company goals are met.

The founder’s values are an important aspect to consider as they exert a substantial influence on the values, norms and standards of behaviour that develop over time within the organisation. Such founders also lead the way in setting the organisation’s cultural values and norms. This is important as they usually recruit leaders within the organisation who will help them run the business based on their value system. They also select individuals who are most likely to buy into their vision of the organisation and its objectives (Slabbert, Theron and Roodt, 2001:45).

**TDA’s leadership style: Results of the Multifactor Leadership Questionnaire**

As discussed above, Toyota’s culture and DNA require a specific leadership style. In order to identify this style, the researcher applied the Multifactor Leadership Questionnaire (MLQ) to the staff below the leadership team in an effort to identify the leadership style as perceived by them. The results are represented in Figure 5.3 below. It is interesting to note that the staff does perceive the leadership team as being transformational leaders, with a score of 3.15 where the benchmark is 3.00. The
results of the questionnaire briefly presented here will be further discussed in Chapter 6 where the results of the findings will be discussed in greater detail.

![Figure 5.3 Multifactor Leadership Questionnaire Results for the Toyota Leadership Team. Source: Adapted from (Mind Garden, 2008)](image)

It is also particularly interesting that the team is considered to be performing as transformational leaders despite the fact that the leadership team has just undergone the Norming stage and finds itself in the Storming stage, wherein there are inter-group conflicts and emotional levels are quite high. Although the team was in the performing stage a year ago, the introduction of new team members has pushed the team back to an earlier stage of team development (Hughes, Ginnett and Curphy, 2002:294).

This reflects the situation that while the team is guided by many of the values of the founder, it is also guided by Toyota’s philosophy, and this brings a diverse group of people together under one umbrella. The values and norms that are a given within the organisation begin with respect for people, performance management, continuous improvement, challenge with passion and leading by example. The team also plays an important role in influencing its staff by inspiring, motivating and encouraging them to become part of the growth and the new vision.
Although the above represent the core values, the team is also influenced by its host culture. The Angolan culture has been significantly modified by its having been a colony of Portugal. A key aspect is the national language, being Portuguese, so that although there are various national languages, they are rarely spoken in the cities. It is important to note that although the Portuguese influence is quite strong, the African culture still prevails and makes a huge contribution to the Angolan environment.

The Angolan culture is also influenced by Brazilian culture, especially in the social arena, whereby the Angolans lean towards the latest Brazilian fashion trends and other societal trends which they follow closely and replicate. These two countries have the power to influence each other since they speak the same language, Portuguese, also owing to their strong ties in the trading sector.

5.3. Angolan environment

Angola, with a surface area of 1,247,000 km², is one of Africa’s largest countries. It has an estimated population of 15.9 million with an estimated population growth rate of 2.7% per annum. Angola's capital city, Luanda, is inhabited by 4.5 million people. The literacy levels have steadily risen from 15% in 1975 to 36% in 1985 and 67% in 2005. Angola is rich in natural resources – gold, diamonds, extensive forests, Atlantic fisheries and large oil deposits.

In 2005, the per capita GDP in Angola was $1,410. The real GDP growth rate for 2005 was estimated at 18%, with the GDP standing at 32.8 billion dollars.

The economy of Angola has been in disarray due to a quarter century of almost continuous warfare. While an apparently durable peace has been established since the death of rebel leader Jonas Savimbi on the 22nd of February 2002, the consequences of the conflict continue. Subsistence agriculture provides the main livelihood for 85% of the population. Oil production and the supporting activities are vital to the economy, contributing approximately 65% to GDP and 90% of the export revenue. Much of the country's food is still imported. The above information on Angola was gathered from the Country Profile (2006:19 - 20).
Cultural background of Angola

Angola’s history has exerted a severe impact on the country’s national culture. The war has destroyed cultural institutions and forced people to flee from their homes. The territory was divided for many years before being united in 2002. This has also created gaps in the available information. The war also did not allow for research to be continued. Universities are also experiencing restructuring and are filling gaps in their databases, which has rendered the acquisition of reliable information very difficult (Brinkmanv, 2007).

Language: The official language is Portuguese. Many Angolans are bilingual, speaking Portuguese and one or several African languages. The Bantu languages are the most common. Fewer than 6,000 speak Khoisan. Six of the Bantu languages were selected as national languages: Chokwe, Kikongo, Kimbundo, Mbunda, Oxikuanyama, and Umbundu. While forty languages are spoken, many people are able to understand one or more of the national languages. The Portuguese language sets Angola apart from its neighbouring countries (The Economist Intelligence Unit, 2006:3).

Symbolism: The culture is highly militarised, and in both the National Union for the Total Liberation of Angola (UNITA) and the Popular Movement for the Liberation of Angola (MPLA), many symbols stem from the military tradition. Parades, uniforms, and flags are prominent during many political meetings. War stories are also common; local leaders often use these to influence the population and to align them with a common vision (Brinkmanv, 2007).

National identity: The national identity of Angola tends to be blurred. The country is divided along many lines: Ethnic, religious, regional, racial, and other factors interact in the conflict. However, Angolans are patriotic and feel very strongly about their nation. Nonetheless, the culture exhibits much Latin American and European influence (Brinkmanv, 2007).

Ethnic relations: The Angolan war is said to have been based on ethnic divisions. Whereas the FNLA is considered to be a Kongo Party, the MPLA predominantly comprises Mbundu and UNITA relied on the support of the Ovimbundu. Ethnicity also forms the basis of distinctions between the urban and rural populations. The Angolans are a very status conscious people and also associated with them are the basic
African values, which are also sometimes used among themselves to distinguish one ethnic group from another (The Economist Intelligence Unit, 2006:3).

Although Angola is moving towards a more culturally integrated and tolerant world in which it was believed that ethnicity would gradually disappear, ethnicity continues to grow in intensity, and the many cross cultural studies tend to bring these differences to the fore, making people more aware of the differences that do exist. People with similar ethnic backgrounds tend to share similar values and beliefs. Nyambegera (2002:1077) also believes that ethnicity affects behaviour, especially in multiethnic societies. She furthermore argues that ethnicity is a key source of “sociological attachment” and serves as an important referent for self identification.

**Leadership in Angola: Results from the Multifactor Leadership Questionnaire**

There is said to be a distinct cultural group that was created as a result of Angola’s past. It is closely interlinked, from the political, military and economic perspectives. These distinct groups date back to the colonial era and were affected by the French trade, the Baptist network and those who were associated with Methodist and Catholic congregations. Although they share a common understanding, they continue to remain strongly divided and possess strong profound histories. Many of them are also associated with the political parties. This is important for leaders in Angola as many business deals do occur due to affiliations and being politically correct. Many heads of organisations are brought on board, or associated with, because of whom they know or are affiliated with; this is true even in the private sector and forms part of the daily business environment (Conversation with National Parts Manager, 2008).

The MLQ that was distributed to a small sample outside of Toyota in order to rate the Angolan leadership shows that Angolan leaders are very transactional with a score of 3.15, although transformational leadership was not rated far behind with a score of 2.98. This appears to be in line with the history of the country as reflected above and also may be true in terms of the literature review of African leadership where leaders are still dealing with issues such as poverty, HIV / AIDS and many social problems. Another contributory factor is that the country was engaged in a war for an extended period of time and the type of leadership required at the time would have been transformational.
The above results on Angolan leadership are significant for this study as they provide insight into the current working environment of the country. These leadership styles, although possibly not completely reflective of the entire population, provide the researcher with crucial information with regards to the cultural dynamics in operation. As mentioned above, Angola is quite different from the countries that it borders as a result of its history. However, it is also important to note that the Bantu migration and other African movements before the impact of colonisation did affect this country and left behind their history, which adds to the richness of Angolan culture. This information is also crucial to understanding the leadership styles of the locals who are a part of Toyota as well as how they have evolved over the past.

Furthermore, one can infer that reviewing African leadership in Chapter 3 provides the context for advancing Angolan leadership. The cultural factors here have exerted a tremendous impact on the present leadership styles at Toyota and other Angolan
leaders. However, due to a lack of information, the researcher has had to concentrate on current literature regarding African leadership in general as a guide for this report.

5.4. Chapter summary

This chapter places TDA and Angola, the host culture, in context. It allows the researcher to be placed at the site of the research. It also contextualises where TDA stems from and how its current environment influences this firm. It also identified Toyota’s leadership style as being transformational, which proves to be consistent with the culture of the company and Toyota’s DNA. Furthermore, the chapter affords insight into the leadership style of TDA by highlighting the values of the founder. It also furnishes insight into the organisation itself by highlighting the stage of the leadership life cycle in which the organisation finds itself. There are also key observations as to how the organisation has integrated the various cultures that affect it, such as the Japanese and Angolan culture.

The chapter also provided a brief summary of Angola. The results of the MLQ revealed that Angolan leaders are predominantly transactional. The influence of African leadership was also presented; the researcher believed that the results concerning the Angolan leaders were consistent with the background furnished here. Chapter 6 will offer further insight with regards to the demographic information of the leadership team and the predominant leadership style in terms of the present research and the findings of the prevailing leadership styles of Angola, Toyota and the expatriate and Angolan members of the senior management team of Toyota.
CHAPTER 6
RESEARCH RESULTS

6.1. Introduction
This chapter discusses the research results using descriptive statistics. These are presented in graphs and tables. The chapter is divided into three key sections where the first section focuses on the demographic data and looks at the response rate achieved. The second section reviews the leadership patterns in terms of age, number of years in the organisation and gender. The last section makes use of one way analysis of variance (ANOVA) in order to reflect the measures of the group in comparison to the transformational score provided as a benchmark.

In this chapter, the researcher attempts to respond to the relevant research questions mentioned in the initial phase of this research report. She also tries to compare, summarise and present the data in the most suitable manner for a clear understanding.

6.2. Response rate
The sample population consisted of 15 top managers from Toyota de Angola. Fifteen questionnaires were distributed and 14 responses were received, representing a response rate of 93%. The questionnaire was administered by Mind Garden which is an organisation that specializes in web based assessments and provides its clients with interpretive reports. Each candidate was prompted by an e-mail to visit the site and fill in the questionnaire. The response reports of each candidate were then forwarded to the researcher as part of the data collection process.

6.3. Demographic details of respondents
This section summarises the demographic information of the respondents who participated in this research.
Figure 6.1 Number of Respondents by Nationality

Figure 6.1 identifies the number of respondents according to their nationality. Angolans constituted the biggest group with 6 members while the Mozambicans, Portuguese and Japanese were equally represented.

Figure 6.2 Academic Background of Respondents
As evident in Figure 6.2, all of the respondents possess a tertiary qualification. It is interesting to note that 35% of the respondents have an engineering background, although the majority of the respondents seem to have an administrative background. Also, 79% of the respondents were male. This is a significant factor as it indicates that female managers are still in the minority, although there are numerous efforts to increase their presence at managerial levels.

![Number of Years in a Leadership Position](image)

**Figure 6.3 Number of Years in a Leadership Position**

Figure 6.3 indicates that a considerable number of managers in Toyota are relatively new to being leaders as they fall in the 1-5 years bracket. Having said that, it is also interesting to note that some of the leaders at the other end of the spectrum report close to 35 years of experience in leadership positions, which suggests that there is a balance between experience and youthfulness.
Figure 6.4 Number of Years in the Organisation

Figure 6.4 points out an interesting scenario where the majority of managers who hold leadership positions at TDA have been with the organisation for less than 5 years.

There is also a large number of the expatriate population who have been living in Angola for less than five years. The reason for this could be attributed to the war in which the country was engaged, as discussed earlier.

6.4. Leadership pattern results

The leadership results below will be considered in conjunction with various aspects of demographic information, such as Nationality, Gender and Years in the Organisation. The above demographic dimensions have been selected in order for this report to best answer the research question.

6.4.1. Leadership pattern results in comparison with nationality

Figure 6.5 below identifies the leadership styles of transformational, transactional and laissez faire. The results are presented according to the various national groups present in TDA’s top management team. The results indicate that even though there are many nationalities, the transformational leadership style is predominant and the laissez faire leadership style is quite insignificant.
Figure 6.5 Average Scores of the Three Leadership Styles as per Nationality

The above graph illustrates the average scores of the MLQ by nationality as well as the rating of each of the nationalities. The average score for transformational leadership for the group is 74.52%, transactional leadership, 58.92% and the laissez faire style, 14.95%. The highest transformational score was that of the Portuguese nationality (93.33%). The highest transactional score was that of the Japanese with 87.50% while the Mozambicans yielded the highest passive score of 31.25%. It is important to note that this data cannot be generalised to any of the cultural groups outside of TDA since the sample is very small.
### Table 6.1 Average Leadership Scores by Nationality

<table>
<thead>
<tr>
<th>Nationality</th>
<th>Average of IA Score</th>
<th>Average of IB Score</th>
<th>Average of IM Score</th>
<th>Average of IS Score</th>
<th>Average of IC Score</th>
<th>Average of CR Score</th>
<th>Average of MBEA Score</th>
<th>Average of MBEP Score</th>
<th>Average of LF Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Angolan</td>
<td>3.15</td>
<td>2.97</td>
<td>3.25</td>
<td>3.21</td>
<td>2.75</td>
<td>2.98</td>
<td>1.61</td>
<td>0.65</td>
<td>0.24</td>
</tr>
<tr>
<td>Brazilian</td>
<td>2.75</td>
<td>3.17</td>
<td>3.65</td>
<td>3.19</td>
<td>3.69</td>
<td>3.08</td>
<td>1.50</td>
<td>0.06</td>
<td>-</td>
</tr>
<tr>
<td>Japanese</td>
<td>2.88</td>
<td>3.17</td>
<td>3.63</td>
<td>3.75</td>
<td>3.88</td>
<td>3.83</td>
<td>3.00</td>
<td>0.58</td>
<td>0.33</td>
</tr>
<tr>
<td>Mozambican</td>
<td>3.63</td>
<td>4.00</td>
<td>3.50</td>
<td>3.88</td>
<td>3.25</td>
<td>3.63</td>
<td>3.00</td>
<td>1.00</td>
<td>1.08</td>
</tr>
<tr>
<td>Portuguese</td>
<td>3.38</td>
<td>3.33</td>
<td>4.00</td>
<td>4.00</td>
<td>3.88</td>
<td>3.38</td>
<td>0.83</td>
<td>0.50</td>
<td>-</td>
</tr>
<tr>
<td>South African</td>
<td>3.00</td>
<td>3.28</td>
<td>3.33</td>
<td>3.17</td>
<td>3.08</td>
<td>2.67</td>
<td>2.39</td>
<td>0.88</td>
<td>0.89</td>
</tr>
<tr>
<td>Grand Total</td>
<td>3.09</td>
<td>3.18</td>
<td>3.42</td>
<td>3.34</td>
<td>3.15</td>
<td>3.06</td>
<td>1.90</td>
<td>0.62</td>
<td>0.40</td>
</tr>
</tbody>
</table>

**KEY:**
- IA: Idealized Attribute
- IB: Idealized Behaviour
- IM: Inspirational Motivation
- IS: Intellectual Stimulation
- IC: Individual Consideration
- CR: Contingent Reward
- MBEA: Management by Exception Active
- MBEP: Management by Exception Passive
- LF: Laissez Faire

Table 6.1 depicts the average scores for the group of leaders at TDA. A tenet of transformational leadership, Intellectual Stimulation (IS), rates the highest with an average score of 3.34. The lowest score is that of laissez faire leadership with an average score of 0.40. The above mentioned scores represent the average score for each nationality while the grand total is the average score for each item.

![Outcomes of Leadership](image-url)  

**Figure 6.6 Leadership Outcomes**
Figure 6.6 above highlights the outcomes of leadership according to the MLQ administered for the purposes of this study. The highest Extra Effort (EE) score was achieved by the Portuguese group with an average of 4 and the lowest, by the Angolan national group with an average of 3.11. The highest Effectiveness (EF) score was that of the Portuguese group with an average of 3.88 and the lowest, that of the Japanese, with an average score of 2.50. The highest Satisfaction (SAT) score was that of the Japanese group with an average of 4.00 and the lowest, the Mozambican group with an average of 2.75.

6.4.2. Leadership patterns results in comparison with gender
The leadership results below are compared in terms of gender.

![Average Leadership Scores by Gender](image)

**Figure 6.7 Average Leadership Scores by Gender**

Figure 6.7 depicts that the female leaders are predominantly transformational leaders. In terms of transformational, transactional and laissez faire leadership, the female leaders rated 12.90%, 7.15% and 2.38% respectively higher than their male counterparts.
Table 6.2 Average Leadership Scores

<table>
<thead>
<tr>
<th>Gender</th>
<th>Average of IA Score</th>
<th>Average of IB Score</th>
<th>Average of IM Score</th>
<th>Average of IS Score</th>
<th>Average of IC Score</th>
<th>Average of CR Score</th>
<th>Average of MBEA Score</th>
<th>Average of MBEP Score</th>
<th>Average of LF Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>F</td>
<td>3.46</td>
<td>3.67</td>
<td>3.79</td>
<td>3.79</td>
<td>3.50</td>
<td>3.25</td>
<td>2.17</td>
<td>0.67</td>
<td>0.53</td>
</tr>
<tr>
<td>M</td>
<td>2.99</td>
<td>3.05</td>
<td>3.32</td>
<td>3.22</td>
<td>3.06</td>
<td>3.01</td>
<td>1.83</td>
<td>0.61</td>
<td>0.37</td>
</tr>
<tr>
<td>Total</td>
<td>3.09</td>
<td>3.18</td>
<td>3.42</td>
<td>3.34</td>
<td>3.15</td>
<td>3.06</td>
<td>1.90</td>
<td>0.62</td>
<td>0.40</td>
</tr>
</tbody>
</table>

Table 6.2 reflects the scores of the group of questions that identify transformational, transactional and laissez faire styles of leadership. The overall scores reflect that Inspirational Motivation constitutes the highest score. The females scored the highest for Intellectual Stimulation and Inspirational Motivation with a rating of 3.79. The highest male score of 3.34 represents Inspirational Motivation.

![Outcomes of Leadership in Comparison to Gender](image)

**Figure 6.8 Outcomes of Leadership by Gender**

The above Figure 6.8 illustrates that female leadership seems to be more effective in ensuring a successful group. Women are also more prominent in inspiring others to go beyond expectations, as reflected by the Extra Effort (EE) Score of 3.78.
6.4.3. Leadership Patterns Results in Comparison with Number of Years in a Leadership Position

Figure 6.9 Number of Years in a Leadership Position

Figure 6.9 indicates that, in general, the number of years in a leadership position does not influence one's transformational or transactional leadership style.

Table 6.3 Outcomes of Leadership Styles by Number of Years in a Leadership Position

<table>
<thead>
<tr>
<th>No. of Years</th>
<th>TRANSFORMATIONAL</th>
<th>TRANSACTIONAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Average of EE Score</td>
<td>Average of EF Score</td>
</tr>
<tr>
<td>1-5</td>
<td>3.56</td>
<td>3.00</td>
</tr>
<tr>
<td>6-10</td>
<td>3.22</td>
<td>3.00</td>
</tr>
<tr>
<td>16-20</td>
<td>4.00</td>
<td>3.75</td>
</tr>
<tr>
<td>21-25</td>
<td>3.00</td>
<td>3.25</td>
</tr>
<tr>
<td>31-35</td>
<td>3.00</td>
<td>3.00</td>
</tr>
</tbody>
</table>
Table 6.3 indicates that, overall, the leaders at TDA are inclined towards transformational leadership rather than a transactional style. The highest score for transformational leadership was found among the group of leaders who have been in the organisation between 16 to 20 years. No transactional leaders were identified in the group with 6 to 10 years’ service while the highest transactional scores fell in the group with 31 to 35 years’ service. No laissez faire leaders exist in TDA.

### 6.4.4. Summary of the Results for Leadership Patterns

The leadership pattern results below will be analysed using the one-way ANOVA.

#### 6.4.4.1. One-way Analysis of Transformational Score: Expatriate vs. Angolan

![Figure 6.10 Angolan vs. Expatriate Transformational Score](image)

Figure 6.10 above indicates that there is no significant difference in the transformational leadership style between the expatriate leadership and Angolan leadership in TDA when the six nationals were compared to the eight expatriates. This is supported by the p-value of 0.07, which reveals a borderline difference of 0.05, which proves that statistically there is no significant difference between the two.
Table 6.4 Means for Angolan v.s Expatriate Transformational Leadership Score

<table>
<thead>
<tr>
<th>Level</th>
<th>Number</th>
<th>Mean</th>
<th>Std Error</th>
<th>Lower 95%</th>
<th>Upper 95%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Angolan</td>
<td>6</td>
<td>68.5417</td>
<td>4.2182</td>
<td>59.351</td>
<td>77.732</td>
</tr>
<tr>
<td>Expatriate</td>
<td>8</td>
<td>79.3229</td>
<td>3.6531</td>
<td>71.363</td>
<td>87.282</td>
</tr>
</tbody>
</table>

Table 6.4 above confirms that there is no significant difference between the mean transformational score of 68.54% for the Angolan leadership team and the mean transformational score of 79.32% for the expatriate leadership team.

Figure 6.11 above illustrates that there is a significant difference in the transformational leadership style between the male leadership and female leadership in TDA. This is supported by the p value which is 0.0413 at a 95% confidence level, which is a very marginal finding. Given the sample size, one could not generalise the findings even though the means differ substantially, as portrayed below.
Table 6.5 Means for Male vs Female Transformational Leadership Score

<table>
<thead>
<tr>
<th>Level</th>
<th>Number</th>
<th>Mean</th>
<th>Std Error</th>
<th>Lower 95%</th>
<th>Upper 95%</th>
</tr>
</thead>
<tbody>
<tr>
<td>F</td>
<td>3</td>
<td>86.2500</td>
<td>5.7021</td>
<td>73.826</td>
<td>98.674</td>
</tr>
<tr>
<td>M</td>
<td>11</td>
<td>71.5530</td>
<td>2.9778</td>
<td>65.065</td>
<td>78.041</td>
</tr>
</tbody>
</table>

Table 6.5 reflects a marginal finding, although the means appear to be markedly different with the mean transformational score of females at 86.25% for 71.55% for the males, although the non significant effect reflects the fact that the variances of scores of the male group do not differ from the variance of the female group. Although these results are reflective of the findings, it is important to note that the sample is very small and will not be applicable to the broader group of men and women.

Figure 6.12 Number of Years in the Organisation Compared to Transformational Score

Figure 6.12 above reveals that the mean transformational score of responses was 74.70%. The means in the various groups do not vary significantly: in the groups of 1 – 4 years, 5- 10 year and 11+ years they are 73.75%, 77.18% and 73.68% respectively, which is supported by a p-value of 0.89, which is higher than the standard p-value of 0.05 at a 95% confidence level. Although it may be deduced that the most transformational group is the one with 5-10 years of leadership experience,
this may be due to the generational gap that exists within the management team as there are very few individuals who fall in the age group of 40 to 50 years old.

Figure 6.13 Age Group Compared to Transformational Leadership Score

Figure 6.13 above illustrates that there is a significant difference between the various age groups and the transformational score since the p-value is 0.47. The table 6.6 below portrays the various means according to the age bracket. Transformational leadership is most prominent in the age group of 36 – 45 years as it has the highest mean score of 86.25%.

Table 6.6 Means for Age Group compared to Transformational Leadership Score

<table>
<thead>
<tr>
<th>Level</th>
<th>Number</th>
<th>Mean</th>
<th>Std Error</th>
<th>Lower 95%</th>
<th>Upper 95%</th>
</tr>
</thead>
<tbody>
<tr>
<td>25-35 years</td>
<td>6</td>
<td>74.5833</td>
<td>4.6940</td>
<td>64.125</td>
<td>85.04</td>
</tr>
<tr>
<td>36-45 years</td>
<td>2</td>
<td>86.2500</td>
<td>8.1302</td>
<td>68.135</td>
<td>104.37</td>
</tr>
<tr>
<td>46-55 years</td>
<td>3</td>
<td>69.8611</td>
<td>6.6382</td>
<td>55.070</td>
<td>84.65</td>
</tr>
<tr>
<td>56+ years</td>
<td>3</td>
<td>72.0833</td>
<td>6.6382</td>
<td>57.292</td>
<td>86.87</td>
</tr>
</tbody>
</table>
6.5. Results of Angolan and Toyota leadership style

The results presented here are based on a very small sample which was investigated in order for the researcher to obtain a basis of comparison with the survey conducted for the leadership team at TDA. It is essential to note that these results cannot be generalised to Angola or leaders outside of Toyota.

<table>
<thead>
<tr>
<th>Description</th>
<th>Angolan Leadership</th>
<th>Toyota Leadership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transformational</td>
<td>2.98</td>
<td>3.15</td>
</tr>
<tr>
<td>Transactional</td>
<td>2.59</td>
<td>2.69</td>
</tr>
<tr>
<td>Laissez-Faire</td>
<td>0.8</td>
<td>0.71</td>
</tr>
</tbody>
</table>

Table 6.7 reflects that Toyota leaders are transformational because their score is higher than the research validated benchmark score of 3 (Mind Garden 2008). Angolan leaders rated higher for transformational leadership and are quite close to the benchmark score. This is quite interesting, given the recent history of war as described earlier. The Angolan leaders rated slightly higher than the Toyota leaders in terms of the laissez faire style.

6.6. Chapter summary

The above chapter was aimed at summarising the data collected. Transformational leadership was identified as being the predominant leadership style, and was compared to various demographic variables. As per the findings of this report the laissez faire leadership style was not well represented in the sample group.

One-way ANOVA was the statistical method employed to verify the results. The transformational leadership results were verified in conjunction with the demographic information below:

* Expatriate vs Angolan
The results with regards to the leadership style of the Angolan and Toyota leaders are also presented here: this enabled the researcher to compare the results of the Toyota leadership team with them. It is intriguing to note that Toyota leaders are viewed as transformational leaders and that the leadership team also rated themselves as transformational leaders. Angolan leaders at TDA likewise rated themselves as transformational leaders, which is also interesting because the Angolan leaders outside of TDA also rated higher on the transformational scale than on the transactional scale. Scores for the laissez faire style, in both instances, fell below the benchmark of 1.

Chapter 7 will draw together the primary findings of this report as in chapter 6 and the findings of the secondary information as discussed in chapter 2 and 3. It will also furnish brief recommendations and suggest future areas of study. This chapter compares the leadership cultures of expatriates with those of Angola and Toyota as reviewed in Chapter 5, and discusses how this influences the effectiveness of the leadership group at TDA.
7.1. Introduction
The main aim of this research was to investigate the interactive effects of executive leadership of national cultures, the organisational culture, and the Angolan culture at Toyota Angola. This chapter aims to draw together all the findings of this study and provide a conclusion. The intention is also to make recommendations for the organisation and future study that may be required.

7.2. Discussion of results
The results are summarised and discussed in terms of the literature review as described in chapters two and three and the findings of the study as presented in chapter 6. The summary of the findings presented below brings together the literature review and the data collected.

7.3. Summary of findings
As noted in this study the key objective was to review how culture influenced expatriate leadership at TDA. The three different cultures that were identified by the researcher are the host culture (Angolan), national culture and organisational culture.

The results indicate that the top management team at TDA is highly educated: all the respondents possessed a tertiary qualification. It was also found that 21% of the sample was female and most of the managers have been in the organisation for less than 5 years. The findings also indicated that the Portuguese rated highest (93.3%) with regards to exercising a transformational leadership style while the Angolans rated the lowest (68.68%) with respect to possessing a transformational leadership style. This is noteworthy, as the Angolans had been colonised by the Portuguese up until 1975. This could also be due to the number of years during which Angola has been at war, while the fact that the economic situation has only recently improved could be a reason as to why the Angolan leadership style does not rate high on the transformational leadership scale.
Furthermore, it is interesting that Portugal rated very high on uncertainty avoidance, followed by a fairly high score on power distance, which varies according to the definitions of transformational leadership, which encourages innovation and not being afraid of making mistakes or questioning old assumptions (Parry and Thompson, 2002:78). Although the Portuguese expatriates at TDA were found to be the most transformational as leaders with a high score of 93.33%, this could be attributed to the influence of the organisational culture, which was rated as being transformational, and / or of the national cultures of the other leaders at TDA. It could also be as a result of the host culture and environment where there is still much uncertainty and decisions still need to be made. Therefore, the contrast that exists between the researcher’s findings and the findings of Hofstede could be a result of the influence of the host culture. The high transformational scores of the Portuguese are further reinforced by the findings of the researcher in terms of the outcome of leadership where they rate the highest in terms of extra effort. However, it is interesting that the Angolans rate the lowest with regards to the same dimension.

Japanese rated very high on the masculinity versus femininity dimension and fairly low on the individualistic dimension, which would be consistent with their high score as transactional leaders because most of the decisions are made in consensus and hence “contingent reward” is used by leaders to clarify expectations and offer recognition (Mind Garden, 2008). This was also reflected in the GLOBE study where Japan rated highly with regards to the in-group collectivism dimension. The researcher established that the Japanese and the Portuguese rated highest on Individual Consideration, a dimension of the MLQ which could be consistent with the Performance Orientation dimension of the GLOBE study where their rating was also high (Javidan, et al., 2006:71). This could also be an indicator of why the Japanese expatriates in TDA rated highest as transactional leaders.

South Africans rated the highest in terms of the individualist dimension, whereas the Brazilians rated very high on power distance and South Africans rated the lowest in uncertainty avoidance on Hofstede’s dimensions (Hofstede, 2010), although in the GLOBE study, they rated as "medium" which showed no significant difference between the other regions of the GLOBE study. Although South Africans rated lowest
in terms of uncertainty avoidance they did not rate very high as transformational leaders in the Toyota leadership team, which could result from the influence of the Angolan (host) culture and environment. This could also be due to an interesting finding of the GLOBE study where the Sub Saharan Africans rated high in the Humane Orientation dimension, which is linked to the principle of Ubuntu as a key element of African leadership (discussed in Chapter 3).

Although key differences are noted between the expatriate and Angolan leadership with regards to various individual dimensions, the overall findings reveal no significant difference between the six nationals and the eight expatriates who form the leadership team at TDA. There could be a number of reasons for this. However, the fact that they work for the same organisation in the same country could be that they are influenced equally by their environment.

**Validity of the Multifactor Leadership Questionnaire**

Although the questionnaire used in this research is standardised, an item analysis was conducted to assess the reliability in an Angolan context. The Cronbach coefficient alpha, derived from the item analysis, was used to ensure that the questionnaire measured the same variables in the same manner. Cronbach’s alpha is a statistical measure of consistency among survey items (Cooper and Schindler, 2001:217). The results, by each item, are presented in Table 7.1 below:
Table 7.1 Results of the Cronbach’s Alpha Score

<table>
<thead>
<tr>
<th>No.</th>
<th>Item</th>
<th>Cronbach’s Alpha Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Idealized Attribute</td>
<td>0.7884</td>
</tr>
<tr>
<td>2</td>
<td>Idealized Behaviour</td>
<td>0.5153</td>
</tr>
<tr>
<td>3</td>
<td>Inspirational Motivation</td>
<td>0.8694</td>
</tr>
<tr>
<td>4</td>
<td>Intellectual Stimulation</td>
<td>0.7959</td>
</tr>
<tr>
<td>5</td>
<td>Individual Consideration</td>
<td>0.6901</td>
</tr>
<tr>
<td>6</td>
<td>Contingent Reward</td>
<td>0.7031</td>
</tr>
<tr>
<td>7</td>
<td>Management by Exception Active</td>
<td>0.4847</td>
</tr>
<tr>
<td>8</td>
<td>Management by Exception Passive</td>
<td>-0.257</td>
</tr>
<tr>
<td>9</td>
<td>Laissez Faire</td>
<td>0.0147</td>
</tr>
<tr>
<td>10</td>
<td>Extra Effort</td>
<td>0.8763</td>
</tr>
<tr>
<td>11</td>
<td>Effectiveness</td>
<td>0.8482</td>
</tr>
<tr>
<td>12</td>
<td>Satisfaction</td>
<td>0.6251</td>
</tr>
</tbody>
</table>

Table 7.1 reports the results of the reliability analysis that was performed on all the questions relevant to each of the above items. For example, the contingent reward questions CR1 to CR4 produced a Cronbach’s Alpha value of 0.70, which indicates acceptable reliability, as this is the cut off point for the acceptance of reliability. This value indicates that the individual questions measured the same concept consistently, although for some of the items above, there were insufficient dimensions to effectively conduct the reliability scales. Clear examples of this are items eight and nine. The researcher could not change the items as the scales used here were provided by the MLQ as commercialised by Mind Garden. The reason that some of the items rated low on the reliability scores could also be due to a lack of understanding of the items.

7.4. Recommendations

The recommendations suggested by this study are divided into three key areas: 1. For the leaders 2. For the organisation and 3. For further research.
7.4.1. Recommendations to the leaders

The MLQ provides a self-rating report that the members of the leadership team could use to improve their leadership styles as they received a copy of their results and a report with areas for improvement. Figure 7.1 below identifies the behaviours displayed by a particular leadership style.

Having received their reports, the leaders could do the following to develop themselves:

- Share these with their respective supervisors or managers or individuals who could help coach the participants to develop their full leadership potential (Mind Garden, 2008).
• The leaders could also recruit staff who possess the competencies they lack in order to ensure that the team works effectively as a whole.

• They could also engage an online coach, a service which is offered by Bruce Avolio’s website: www.e-leading.com, and could contact this person on bavolio2@unl.edu. The key advantage of using this method is that it allows an easy interface between the coach and leader, together with the feature that offers the use of a calendar where deadlines and insights can be inserted (Mind Garden, 2008).

The above suggestions are directed at the leaders so as to develop them and to enrich their growth and fully attain their leadership potential with regards to the full leadership model. The suggestions below are made in order to allow the organisation to take counter measures where necessary and to improve the organisation’s effectiveness. The consolidated ratings also provide the organisation with an idea of the extent of the effectiveness of the team, while areas where improvement is required can be incorporated in training and development initiatives.

7.4.2. Recommendations for the organisation

The researcher recommends that the following be done to ensure higher levels of organisational effectiveness as TDA is a learning organisation and the recommendations below can assist in improving their leadership team:

• TDA’s leadership team is presently in the norming stage. As mentioned earlier, this could have influenced the results of the questionnaire because the team is still fairly new with constant new additions and employees who are fairly new to the organisation, where over 12 of the members have been in the organisation and in Angola (Host Country) for 5 years or less. Having said this, the organisation could conduct workshops using tools of Group Dynamics and Team Building to move the team into the next stage, which is that of performing, and make sure that the team becomes effective in leading this fast growing organisation.
The organisation could embark on a leadership development programme which could incorporate various modules with their main objective being to improve the leadership skills and behaviours. Some of the modules could include effective team communication, performance management of the team, self mastery, team facilitation, project management, mentoring and coaching, change management and strategy implementation (Yukl, 2006:257).

The organisation could also benefit from some diversity management programmes, which could include the three types of diversity: 1. Informational Diversity, 2. Social Category Diversity and 3. Value Diversity (Ashkanasy, Hartel and Daus, 2001:2). This would be beneficial to the organisation as it would help the different cultures to understand their differences and bring them closer together and move the team to the performing stage.

7.4.3. Recommendations for future research:

As mentioned, the scope of this study was limited to the leadership team of TDA. This entailed a very small sample population of 15 individuals, and hence the results are only applicable to the sample population. Therefore the researcher recommends that this study should be extended to a larger sample population selected from a variety of industries. This could be particularly beneficial to the Angolan academic institutions. The study could also include other nationalities that form part of the expatriate community in Angola.

7.5. Conclusions

This research aimed at investigating the effect that culture has on the expatriate leaders in TDA’s leadership team. The study started by surveying existing literature on culture and leadership in general. It also described the organisation that was used for the purposes of this study – Toyota de Angola.

In responding to the main research question, the researcher established that the cultural attributes do affect one’s leadership style. A clear example of this is the
variations that the researcher found in the Japanese culture. The researcher also found the culture of Toyota de Angola to be transformational and that of Angola to be more transactional than transformational. The leadership team was discovered to be transformational despite its various nationalities, which reflect the influence that the organisational culture exerts on the leadership team and the host culture (Angolan), being transactional.

The key challenges that the researcher faced in conducting the study were the lack of availability of literature on the Angolan culture and of previous studies conducted in Angola for reference purposes. Also, the literature that is available is in Portuguese, which requires translation. Another key challenge that the researcher faced was the slow responses to the questionnaire, even though the researcher works for the organisation.

In general, the researcher has provided recommendations as mentioned above and found this study to be very valuable, with certain topics such as culture and diversity management being extremely helpful in understanding the leadership team at Toyota de Angola.
LIST OF REFERENCES


Barnes, N. Supervisor For MBL. 2010. Correspondence. 28 September, Luanda.


Javidan, M. & House, R. J. 2001. *Cultural acumen for the global manager lessons from project GLOBE*: https://cas.unisa.ac.za/cas/login?service=https://oasis.unisa.ac.za/validate%3Furl%3Dhttp%3A%2F%2F0-www.sciencedirect.com.oasis.unisa.ac.za%3A80%2Fscience%3F_ob%3DArticleURL%26_udi%3DB6W6S-438KCW3-6%26_user%3D593394%26_coverDate%3D01%252F01%252F2001%26_alid%3D710135662%26_rdoc%3D6%26_fmt%3Dfull%26_orig%3Dmlkt%26_orig_alid%3D710135662%26_cdi%3D6606%26_st%3D17%26_docanchor%3D%26view%3Dc%26_subId


### APPENDIX 1

#### DEMOGRAPHIC QUESTIONNAIRE

<table>
<thead>
<tr>
<th>Q.1. Age:</th>
<th>20 or less</th>
<th>21 to 30</th>
<th>31 to 40</th>
<th>41 to 50</th>
<th>51 to 60</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q.2. Gender:</td>
<td>Male</td>
<td>Female</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q.4. No. Of years working in Angola</td>
<td>2 or less</td>
<td>3 to 5</td>
<td>5 to 7</td>
<td>7 to 10</td>
<td>10 or more</td>
</tr>
<tr>
<td>Q.5. No. Of years working in Toyota de Angola</td>
<td>2 or less</td>
<td>3 to 5</td>
<td>5 to 7</td>
<td>7 to 10</td>
<td>10 or more</td>
</tr>
<tr>
<td>Q.6. No. Of years in a Leadership Position</td>
<td>2 or less</td>
<td>3 to 5</td>
<td>5 to 7</td>
<td>7 to 10</td>
<td>10 or more</td>
</tr>
</tbody>
</table>
APPENDIX 2
MULTIFACTOR LEADERSHIP QUESTIONNAIRE

Leader Form

My Name: ___________________________ Date: ___________
Organization ID #: __________________ Leader ID #: __________________

This questionnaire is to describe your leadership style as you perceive it. Please answer all items on this answer sheet. If an item is irrelevant, or if you are unsure or do not know the answer, leave the answer blank.

Use the following rating scale:

<table>
<thead>
<tr>
<th>Not at all</th>
<th>Once in a while</th>
<th>Sometimes</th>
<th>Fairly often</th>
<th>Frequently, if not always</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>

1. I provide others with assistance in exchange for their efforts ....................................................... 0 1 2 3 4
2. I re-examine critical assumptions to question whether they are appropriate ........................................ 0 1 2 3 4
3. I fail to interfere until problems become serious .................................................................................. 0 1 2 3 4
4. I focus attention on irregularities, mistakes, exceptions, and deviations from standards .......................... 0 1 2 3 4
5. I avoid getting involved when important issues arise ............................................................................... 0 1 2 3 4
6. I talk about my most important values and beliefs .................................................................................. 0 1 2 3 4
7. I am absent when needed .......................................................................................................................... 0 1 2 3 4
8. I seek differing perspectives when solving problems .............................................................................. 0 1 2 3 4
9. I talk realistically about the future ........................................................................................................... 0 1 2 3 4
10. I instill pride in others for being associated with me ............................................................................... 0 1 2 3 4
11. I discuss in specific terms who is responsible for achieving performance targets .................................. 0 1 2 3 4
12. I wait for things to go wrong before taking action .................................................................................. 0 1 2 3 4
13. I talk enthusiastically about what needs to be accomplished ................................................................. 0 1 2 3 4
14. I specify the importance of having a strong sense of purpose ................................................................ 0 1 2 3 4
15. I spend time teaching and coaching ....................................................................................................... 0 1 2 3 4

Continued →
APPENDIX 3

AUTHORIZATION FROM TOYOTA DE ANGOLA

From: Nuno Borges
Date: July 4, 2008 5:01:11 PM BST
To: "Nitika da Rosa"
Subject: Re: Thesis and Field Study

Nitika

You are authorized to do the requested research and I'm available to support you on any questions you have as part of your study. I'm sure that you will do a competent research what I will appreciate to have access and even to use it with your authorization as Case Study
I wish great success.
Best regards
Nuno Borges

Nuno Borges da Silva
TOYOTA DE ANGOLA
CEO
(Presidente Executivo)
P.O.Box 3480 – Luanda, Angola
Tel. +244 222325131 / 222325192 / 222325577 / 222328082
Fax +244 222325409
www.toyotadeangola.com

On Jul 4, 2008, at 4:58 PM, Nitika da Rosa wrote:
Dear Sr. Nuno,

As you are aware I am a third year MBL student at the University of South Africa and hereby request authorization to use Toyota de Angola as the basis for my field study and research report.

The field study will be based on the Viana project and my research report is titled “The Impact of Culture on Expatriate Leadership at Toyota de Angola”. The research report has been delimited to the Top Management team of the organization and a Multi – factor leadership questionnaire will be administered to them as part of the research.

The objective of this research is to contribute to the body of knowledge and should you require copies of the final reports they may be provided at the end of the academic year.

Please note the information gathered will be treated as confidential and solely used for academic purposes.

Thanks and Regards,
Nitika da Rosa
Human Resources Manager
Toyota de Angola
Tel: +244-222-325131 / 222-325192
Fax: +244-222-325409
## APPENDIX 4

### TOYOTA DE ANGOLA VISION

**OUR VISION**

The Customers Choice  
Through the best  
Quality Services and Passionate People

<table>
<thead>
<tr>
<th>Finance</th>
<th>Customer</th>
<th>Processes</th>
<th>People</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Positive EVA</td>
<td>• Benchmark in the industry</td>
<td>• Quality Control</td>
<td>• R&amp;S</td>
</tr>
<tr>
<td>• Lean Balance sheet</td>
<td>• Market Share</td>
<td>• Adherence to P&amp;P</td>
<td>• Retention Strategy</td>
</tr>
<tr>
<td>• Return on Assets</td>
<td>• CSI</td>
<td>• Schedule Control</td>
<td>• CDP’s and Skills Matrix</td>
</tr>
<tr>
<td>• Return on Equity</td>
<td>• Customer Retention</td>
<td>• Docs process standardization (OPD)</td>
<td>• Training</td>
</tr>
<tr>
<td>• Cash management</td>
<td>• Quality Service</td>
<td>• Supply Chain Mngt.</td>
<td>• Career and Succession Planning</td>
</tr>
<tr>
<td>• Biz Plan and Budgets</td>
<td></td>
<td>• Internal Mngt. Guidelines</td>
<td>• Promote cultural diversity</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Kaizen</td>
<td>• PMS</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• PE</td>
</tr>
</tbody>
</table>

### VALUES AND BEHAVIOURS

<table>
<thead>
<tr>
<th>RESPECT FOR PEOPLE</th>
<th>CHALLENGE WITH PASSION</th>
<th>PERFORMANCE EXCELLENCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Trust/Honesty</td>
<td>• Proactive</td>
<td>• Do it right</td>
</tr>
<tr>
<td>• Integrity</td>
<td>• Open-minded</td>
<td>• Right product, Right</td>
</tr>
<tr>
<td>• Confidentiality</td>
<td>• Persistence</td>
<td>• time, Right customer)</td>
</tr>
<tr>
<td>• Competence</td>
<td>• Empathy (involve people)</td>
<td>• Drive PE with passion</td>
</tr>
<tr>
<td>• Transparency</td>
<td>• Unique (Differentiate)</td>
<td>• Team Work</td>
</tr>
<tr>
<td>• Fairness</td>
<td>• Goal orientated</td>
<td>• Professionalism</td>
</tr>
<tr>
<td>• Open communication</td>
<td></td>
<td>• Customer Orientated</td>
</tr>
<tr>
<td>• Diversity</td>
<td></td>
<td>• Meet commitments</td>
</tr>
</tbody>
</table>