MANAGEMENT STYLE DIFFERENCES BETWEEN U. S. AND MEXICAN MANAGERS

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ABSTRACT

Management style is a useful barometer of competitive behavior and, as such, offers an opportunity to measure and evaluate competition, confrontation, control and cooperation in business affairs. The purpose of this paper is to present the results of an examination of comparative management styles between U. S. and Mexican managers. Research results indicate that, in reviewing differences in the four measured attributes of managerial decision style, Mexican management style is significantly different in important ways from that of its U. S. counterpart. This is important due to the large and growing number of contacts between managers in an increasingly global environment.

INTRODUCTION

Managerial decision styles have been discussed, debated, and argued for over half a century. In general, there seems to be agreement on the value of understanding managerial styles [20] [21] [14] [16] [12] [9] [13] and others. The styles that managers use in making decisions are seen as important in understanding an organization's deficiencies as well as its attributes [1] [15] [17] [8] [9]. This paper addresses the Rowe Decision Style Inventory (DSI) model which, after nearly thirty years, continues to be a valuable instrument in assessing intercultural managerial styles. The assessment results can serve as reliable indicators of potential opportunities and problems which may aid in facilitating the identification of potentially successful candidates for global hiring and promotion. The present study looks at the type of managerial training or education as a factor in explaining management style. This is particularly important in an environment where corporations are relying on certificates or diplomas as shortcuts to the acceptance or rejection of candidates for hiring or promotional advances. This has added value when the firm is undergoing significant corporate culture change due to acquisitions and increased cross-cultural contact between managers in the same firm or between firms.

METHODOLOGY

From the "single best style" of Taylor (1947) to the highly flexible managerial styles of Tannenbaum and Schmidt (1958), managerial decision style has long been a concern for managers. Early testing by Rowe and Boulgarides indicated that that the decision-style approach was "a useful way of understanding managers, their decision making, their problem solving, their ability to interact with others in the organization, and that it is possible to match individuals to work based on decision style preferences" [16, p. 5]. Later cross-cultural testing has reconfirmed this conclusion [9]. The Rowe Decision Style Inventory (DSI) questionnaire used in this study consists of 20 items. Respondents are asked to select one of four mutually exclusive numbers, when the statement is: 1 (least like); 2 (slightly like); 4 (moderately like); and, 8 (most like) what they would do in their work environment. Each

question has four statements representing one of the four decision styles (Directive, Analytic, Conceptual, Behavioral). The total score for each decision style element is summed and may be compared to the general population mean or to a mean of any subgroup of the general population for which means exist. A description of the decision style categories follows.

<u>Directive</u>: These individuals have a low tolerance for ambiguity and focus on technical problems. They have a high need for power and prefer tangible rewards. They emphasize speed and action; use limited information, and few alternatives. They tend to be aggressive, authoritarian, and focus internally to the organization with short-range and tight controls. They are very effective at achieving results.

<u>Analytic</u>: Typical of abstract thinkers, who have a high tolerance for ambiguity, use considerable information, and are very careful in the examination of alternatives. They tend to optimize problem solutions and enjoy challenges. They often reach top posts in their companies and are innovative in their solutions to problems. They prefer written reports and look for variety in their work.

<u>Conceptual</u>: Because of their high cognitive complexity and people orientation, individuals of this type want elaborate treatment of problems and consider many alternatives. They are broad thinkers who take a systems perspective and are future oriented. They value quality, prefer openness, and shared goals with subordinates. They are highly creative, have a high organizational commitment, and enjoy interacting with others. They are high achievers, needing praise and recognition. They tend to be very independent and refuse to be pressured, preferring loose control to power.

<u>Behavioral</u>: This style has a deep concern for fellow employees and a strong need for affiliation. They are supportive, good listeners, receptive to suggestions and communicate easily. They exhibit warmth and will accept loose control. They prefer meetings to reports and do not use much data in arriving at decisions. Their focus tends to be people oriented with short-range goals [16].

HYPOTHESIS

Previous studies established that the Rowe DSI can be used to evaluate management style differences between students enrolled in fully-employed MBA programs of a similar nature but in different countries [9]. The previous studies showed no statistically significant differences, suggesting that either the students who seek out these types of programs bring similar management styles with them into the programs, or the programs help create a distinct management style irrespective of nationality. This study seeks to evaluate whether the Rowe DSI can be used to differentiate between candidates for MBA degrees and non-MBA degrees that have a significantly managerial orientation. The hypothesis tested is that there is no statistically significant difference between the two groups.

THE SUBJECTS

The U. S. business school program selected was the Graziadio School of Business and Management's fully-employed MBA program at Pepperdine University in southern California. The Pepperdine MBA programs are well known in the U. S. and internationally. This program places in the top ten MBA programs in the United States for enrollment and the top twenty in the U. S. for quality. The program is private, expensive, requires prior managerial experience, and is conservative politically. A high proportion of its students are from highly technical, undergraduate degree areas. The program chosen in México was the Maestría en Desarrollo Organizacional (MDO) program in the Graduate School of the Universidad de Monterrey (UDEM), in Monterrey, Nuevo León, México. The UDEM graduate program in organizational development is well known throughout México and internationally. The school is private and the graduate nature of the program means that it quite expensive compared to the undergraduate programs. It, too, requires prior managerial experience. Students from the Pepperdine

University fully-employed MBA program were surveyed in 2004, and students from the Universidad de Monterrey's Maestría en Desarrollo Organizacional program were surveyed in 2005, which provided the subject data.

RESULTS

A sample of forty-six (46) MBA students was collected from two separate classes at Pepperdine University in Spring, 2004. No significant differences were found between the two MBA classes on any Decision Style Inventory measure. Therefore, we merged the two classes into one sample which we will use to compare against a sample of Mexican students (see Table 1 results).

TABLE 1. COMPARISON OF U.S. SAMPLES

	DIRECTIVE	ANALYTIC	CONCEPTUAL	BEHAVIORAL
USA Group 1 2004 n = 22	76.5	90.3	74.2	59.1
USA Group 2 2004 n = 24	80.5 (-4.0)	91.2 (-0.9)	69.5 (+4.7)	58.8 (+0.3)
t-test probabilities associated with differences	.35	.87	.35	.96

^{* =} Significant

A sample of twenty (20) MDO students was collected at the Universidad de Monterrey in the Spring of 2005. These students were enrolled in an organizational development graduate program. Consequently, we expected to find differences between the two groups on the DSI variables. The hypothesis that there is no statistically significant difference between the management styles of these two groups can be clearly rejected in one category (Behavioral), with a nearly significant result in another (Analytic). There is a significant difference between U. S. and Mexican managers in the Analytic and the Behavioral dimensions. As seen in Table 2, the Mexican managers are substantially more behavioral (right brain) and substantially less analytic (left brain) than their U. S. counterparts.

TABLE 2. COMPARISON OF U. S. AND MEXICAN MANAGERS' DECISION STYLES

	DIRECTIVE	ANALYTIC	CONCEPTUAL	BEHAVIORAL
USA 2004 n = 46	78.6	90.8	71.7	58.9
México 2005 n = 20	73 (-5.6)	82.7 (-8.1)	75.7 (+4.0)	68.7 (+9.8)
t-test probabilities associated with differences	.153	.059	.359	.018*

^{* =} Significant

As expected, the Analytic variable is very close to significant (alpha = .059). If the sample size of Mexican students been larger, we believed the Analytic variable would be definitely significant. We performed a "sensitivity analysis" by increasing the sample size of the Mexican students. Using group averages for each DSI variable, we generated three additional observations. As seen in Table 3, when

the sample size is increased from 20 to 23, the Analytic variable is significant. Therefore, our conclusion is that the Pepperdine MBA students score higher on the Analytic variable.

TABLE 3. U. S. AND MEXICAN MANAGERS' ANALYTIC STYLE WITH INCREASED SAMPLE

	DIRECTIVE	ANALYTIC	CONCEPTUAL	BEHAVIORAL
USA 2004 n = 46		90.8		
México 2005 n = 23		82.7 (-8.1)		
t-test probabilities associated with differences		.044*		

^{* =} Significant

CONCLUSIONS

Globalization has impacted many aspects of management across cultures. The authors have established that, given samples of fully-employed MBA candidates in substantially different countries but undergoing similar MBA programs, there will be no statistically significant differences in the management style characteristics of the graduates. This study took advantage of an opportunity to examine differences, if any, when samples from different degree programs that have led to managerial success are analyzed by the same instrument previously employed in distinguishing between MBA program students in different countries. It led our research in a different direction from previous uses of the Rowe Decision Style Inventory.

The recent increase in variants of the traditional MBA program has generated confusion for business schools and firms about what to expect of graduates of MBA programs versus other managerially oriented graduate programs. This confusion is not restricted to schools and firms in the United States; it exists in countries that have adopted the general format of U. S. graduate business education. Our study shows that different management education programs can produce managerial graduates with significantly different management styles. This should interest those in business and other managerially oriented graduate programs (government, education, etc.), as well as the future employers of graduates. A key question is: Are there identifiable management styles attributable to MBA program graduates versus, for example, those with a Master's in organizational development? This study indicates that managerial style differences do exist between the samples of U. S. MBA program students and the Mexican Master's in organizational development students, providing evidence that all business degree programs do not produce the same results. In fact, our research indicates the contrary. We have found, in past research, few differences in managerial style for MBA students regardless of their country of program. Yet, this study indicates there are significant differences in managerial style as a function of the type of graduate business degree program. Future research may profitably be directed to analyzing core graduate business degree courses among programs, which may explain the resulting differences in managerial style found in this study.

REFERENCES

Available upon request from primary author.