# Leadership, Personality, and Religious Beliefs of Malaysian Managers – A Case Study<sup>1</sup>

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# Introduction

Conducting psychometric assessments with managers (e.g. Individual Assessments or Management Appraisals) always takes place with the concept of *Dynamic Interactionism* (e.g. Endler & Parker, 1992) in mind: personality, behavior, and environment influence each other in a dynamic manner: For instance, an individual's personality predicts his behavior (which is more or less the definition of personality), but not independently of the respective situation. Thus, the overall objective of management assessments is a prediction based on a personality assessment, i.e. how a manager will behave in certain leadership situations. Accordingly, most business psychologists thoroughly examine which specific environment a candidate will encounter when he or she assumes a new position.

However, in addition to the micro-environment of a company's culture and specific tasks related to the position, there is also a more global environment: a society's shared beliefs, expectations and rules (written as well as unwritten): a society's culture. Usually, psychologists do not focus much on this macro-environment, as the psychologist himself, the candidate and the client share a mutual, intuitive understanding of culture's relevance because it is shared by everyone involved in the diagnostic process. For instance, we have a common understanding of what—at least in general— 'leadership' means, what a CFO does, what 'sales' is about, how to behave in certain social situations, etc.

Conducting diagnostics in a country with a completely different culture, however, brings the relevance of those cultural aspects to attention and reminds us how psychometric findings, leadership behavior and personality are heavily shaped by a society's culture—and vice versa. This article comprises a case study of a Management Appraisal with over 100 local managers from a Malaysian company and findings are discussed in the context of the country's political development and its Islamic culture.

## Background

A big Malaysian company conducted a Management Appraisal as part of a large change initiative. The objective of the initiative was to improve the company's overall performance, which had dropped dramatically over the last years, based on indicators like decrease in reliability and output as well as an increase in incidents (some of which lead to casualties) and non-compliant behavior. The change initiative consisted of a mandate to implement several enablers, e.g. re-engineering work processes, introducing empowerment, rejuvenating equipment, leadership coaching and training. The managers went through an appraisal consisting of several psychometric instruments and managerial tasks:

- Cognitive ability tests (provided by cut-e)
- Personality Questionnaire CPI (Megargee, 2009)
- An Implicit Motivation Questionnaire (Wengemann, 2013)

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- A case study to be presented on the change initiative, as well as a few more questionnaires and tests, an extensive interview, a feedback session and follow-up coaching sessions (all of the latter will not be addressed in the context of this case study)

## Verbal and Numerical Reasoning Skills

It is a well-established fact that cognitive abilities are one of the best predictors for work performance. Consequently, two (later: three) cognitive ability tests were employed; a verbal reasoning test and a numerical reasoning test. The results were compared with two different benchmarks: one derived from the test developer's norm sample of international managers (denoted in Fig.1 as the 50% line) from various countries and one computed from the author's company's data, consisting mainly of more senior managers. Figure 1 shows the findings from 134 Malaysian managers:

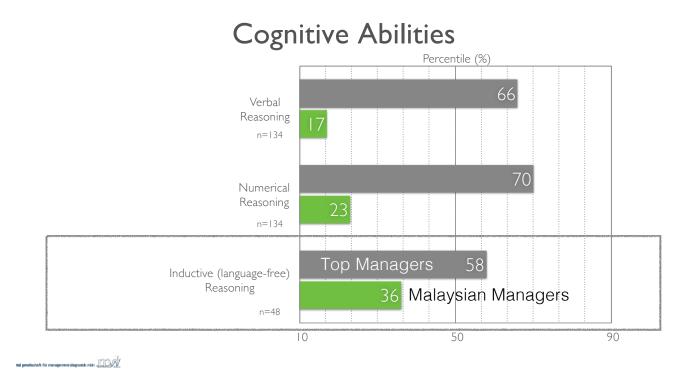


Figure 1 - average scores in cognitive abilities tests of 134/48 Malaysian managers (green bar) compared to international managers (505 line and international top managers (grey bar)

Although there were some participants with excellent reasoning skills, on average the results were quite poor compared to managers from other countries. Of course, (lack of) English language skills was initially considered the reason for those poor results. However, Malaysia being a former British colony, has a long tradition of being an English-speaking country. For many years, the complete education system was based on English and was the country's

official language. Thus, all participants were pretty fluent in English and English is the company's official language. Nevertheless, things have changed a bit in Malaysia in the last 50 years.

### **New Economic Policy**

In the aftermath of racial riots in the late 60's a social re-engineering and affirmative action program was introduced. As part of the program and in order to strengthen the Malaysian identity, educational language in Primary and Secondary schools was changed from English to *Bahasa Melay*, the indigenous Malaysian language. As a consequence, the level of English amongst students dropped dramatically. For instance, the Malaysia Kini, a Malaysian newspaper reported in Nov 2015 *"1,000 would-be doctors quit due to poor English"* and the MalayMailOnline reported in August, 2015 *"Compulsory pass for English in SPM postponed"* – the English language test in the graduation exam had to be postponed because the student's (and teacher's!) level of English was not sufficient to pass the exam. Putting everything together, (lack of) English might be an explanation for the on average poor results in the cognitive tests. Thus, a language-free reasoning test was integrated into the appraisal. The average result in the tests turned out slightly better, but still not on par with other international managers (see figure 1).

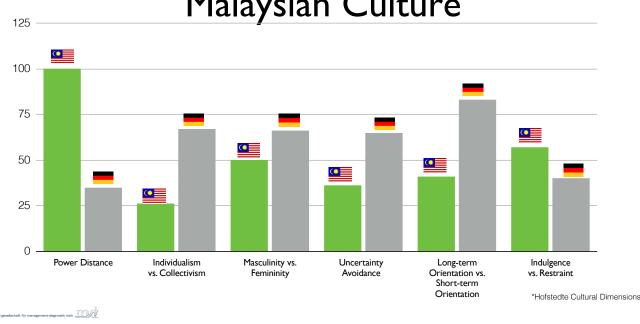
Looking for an explanation for these surprising results, things come back to the New Economic Policy. Malaysia is a multi-ethnic, multi-religious country. Two thirds of the population are of Malaysian descent, the remaining third mainly of Indian and Chinese origin. Part of the New Economic Policy was an Affirmative Action Program that allowed no more than 10% of university students to be Non-Bumiputras (as the Malaysians call themselves). Similar quotas were introduced and applied to government administration and government-owned companies. Consequently, many of the talented non-Malaysian students left the country to study abroad (mostly in Australia or the US). Hence, results of the cognitive ability tests might reflect the lack of highly-gifted talents due to the brain drain in the aftermath of the New Economic Policy. Thus, we are dealing with a limited sample of the overall population that might be missing some of the country's talented professionals. In spite of these negative ramifications, the New Economic Policy nevertheless achieved many of its objectives: the proportion of national wealth owned by the Bumiputras has grown from 2,3% in 1970 to 23,5% in 2005, poverty has decreased from 52% to 5%, respectively. A further aspect that might have contributed to the managers' poor results is the respective selection policy: being promoted to leaderships positions is mostly neither based on an assessment of the candidates' leadership potential nor on their previous performance. In the best case, people are promoted to leadership positions based on their level of technical expertise and their seniority, in the worst case, based on criteria that are completely unrelated to leadership abilities (e.g. ethnicity, religion).

## Malaysian Islam

Malaysia is both a tolerant, multi-religious and Islamic country. All citizens of Malaysian decent are declared Muslim by law (and the religion is denoted in the national identity card). Malaysia is a very tolerant, open country. All religions co-exist peacefully and there is little noticeable pressure to enforce religious laws. There are Sha'ria courts, but they are restrained to minor issues (family issues, mediating conflicts between neighbors, etc.). Also, Malaysian children attend both Islamic and public schools. However, there is a strong tendency towards a stricter application of Islamic laws and values. Mosques are being built

in many small rural towns (often funded with money from abroad) and there is a roadmap to expand the scope of Sha'ria Courts toward general jurisdiction.

The Malaysian culture, although Islamic, is very unique and does not compare to any other Islamic country. In general, people are quite humble, refrain from showing off and treat each other respectfully. Malaysian's religious belief is mostly very sincere and spiritual. They have a strong collectivistic tendency, a large power-distance and people are eager to observe stipulated rules and orders. If at all-conflicts are addressed rather indirectly. Within an organization, employees strive to collaborate and not cause their superior any trouble. Being assertive or showing off is considered impolite. Assertive Leadership behavior is, however, rarely necessary as leaders are seen as authorities whose directives are never questioned. The Hofstede Cultural Dimensions (Hofstedte, 1991) describes the Malaysian culture in a similar manner (see figure 2 – for matter of clarity in comparison with German culture).



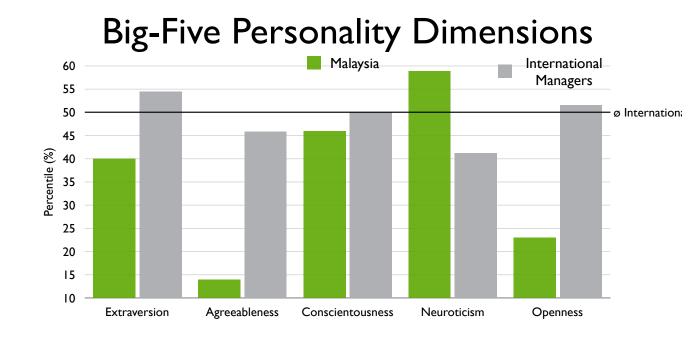
Malaysian Culture

Figure 2 – Malaysia's scores on Hofstede Cultural Dimensions, compared with Germany's

Interestingly, Malaysian's score lower in Uncertainty Avoidance (as e.g. Germans). While German managers tend to avoid uncertainty by means of short and long-term planning, Malaysian managers tend to accept uncertainty and ambiguity as god given and something one has to give into—which in turn, might lead to higher level of anxiety.

#### Malaysian Culture and Personality

Interestingly, the Malaysian culture is reflected in the average results of the personality questionnaire. Considering the average score of the Big Five (computed from the CPI personality questionnaire, see: Soto & John, 2009), the following results transpired:



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Figure 3 - average scores of the Big Five personality dimensions of 134 Malaysian managers compared with international managers and the population average of various Western countries (50% line)

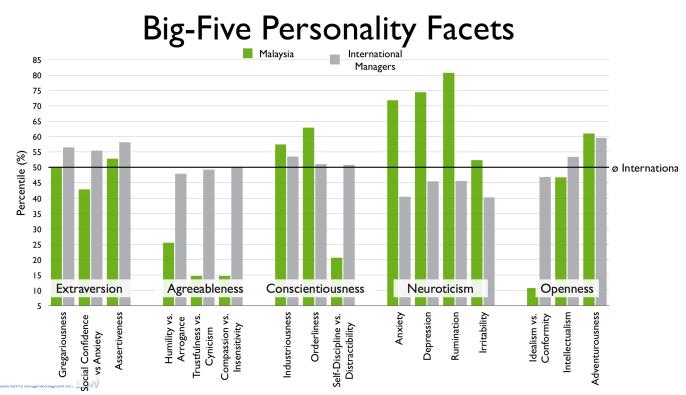


Figure 4 - average scores of the Big Five facets of 134 Malaysian managers compared with international managers and the population average of various Western countries (50% line)

On average and compared to people from other countries as well as to international managers, Malaysian managers lack social self-confidence to a certain degree, are less agreeable, lack self-discipline, demonstrate a higher level of neuroticism and are far less individualistic. While most findings are pretty much in line with the Malaysian culture as described above, the low scores on Agreeableness (and, in the CPI original scales: low scores in Empathy, Tolerance and Psychological Mindedness) are surprising, especially given the highly collectivistic culture. The author discussed this issue with some of his Malaysian colleagues and they explained the findings. Malaysian people on average lack empathy and understanding of others not *in spite of* but *because* of the collectivistic culture. Living in a society where most people share the same (Islamic) values and beliefs, many people have the implicit theory that everybody feels and thinks alike and therefore individual differences like emotions are neither perceived nor heeded.

#### Motivation

In addition to the personality questionnaire, an implicit motivation test was employed (Wegemann, N., 2013). Although the test is meant to be used mainly in an ideographic manner (i.e. there is nothing like 'good' or 'bad' motivation; everyone has a different motivational pattern which is the result of how strong the various motivational aspects relate to each other), for the matter of clarity, the scores of all Islamic participants are averaged and compared with a sample of 800 international managers:

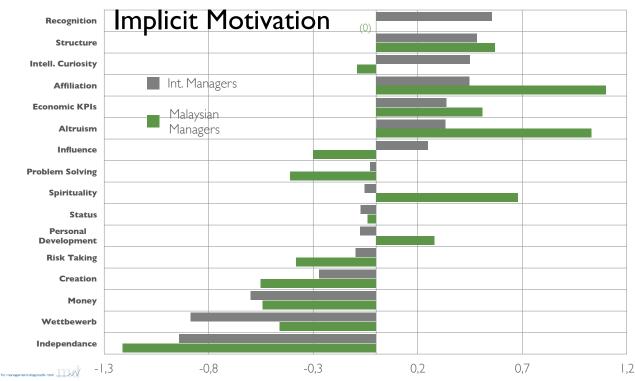


Figure 5 - averages scores of implicit motives, 134 Malaysian managers in comparison with 800 international managers

First of all, motivation patterns of Malaysian managers are much more homogeneous. Indeed, many of them share a similar motivational structure. They are motivated by achieving their objectives by working in a structured manner, cooperating with others and serving a higher purpose. Compared to managers from other countries, they are less motivated by recognition (Malaysian managers do not like to stand out, e.g. by being praised by the boss), need for cognition, problem solving and power motivation.

#### **Culture Fair Testing?**

Taking all of the above test results into consideration, one might ask whether the tests applied in this Management Appraisal are "culturally fair". Indeed, due to the lack of specific Malaysian test norms the participants were compared to other international managers. It might be the case, e.g. that Malaysian managers with a low score on "self-discipline" might be assessed as quite self-disciplined if they were compared to their Malaysian compatriots. Also, the results of the analytical reasoning tests might have been far better if the candidates had been measured against a local sample instead of an international one. One can legitimately object that we forced the Malaysian managers into a blueprint set by "WEIRD" (Western, Educated, Industrialized, Rich, and Democratic) countries. Malaysia has, however, set itself this very objective, as it is striving to become a modern, well-educated, democratic, and wealthy country that compares in every aspect (education, infrastructure, leadership, economy, political system) to Western countries (and, to be fair, it has made immense progress in achieving this objective in the last 50 years). Consequently, it might not be too unfair to impose Western norms as regards testing and leadership upon Malaysian managers.

#### Culture as an obstacle as well as a resource

Obviously, it is difficult to implement a high-performance work culture in an organization if leaders, on average, lack certain important prerequisites for being successful as leaders. Too many managers do not possess the necessary cognitive abilities, leadership motivation, assertiveness, decision-making skills, tolerance towards ambiguity, and social skills in general. Although some of the skills could be improved by means of training and coaching, the managers' personality and cognitive abilities - shaped by the country's culture and religion - appear to constitute certain limitations to the extent to which those skills can be learned.

On the other hand, the country's culture can be utilized in order to motivate the managers to take over more leadership responsibility (instead of hiding behind a collectivistic culture). In many of the subsequent coaching sessions, managers reacted quite positively when episodes from the prophet Mohammed's life were recounted (which is literally a role model and inspiration for every Muslim in the world). The prophet Mohammed gave an example of strong leadership on multiple occasions in his life. Although he, too, later in his life was a member of a community of similar-minded people, he went through a lot of hardship on his way to building up this community. For a long time, he had to stand up for what he felt was right—even if he was confronted with resistance and hostility. Reminding managers of these examples from the prophet's life opened their eyes to embrace their leadership role and responsibility – despite feeling that demonstrating strong leadership was not part of their personality or culture.

Within a world of (hopefully) growing diversity and inter-cultural cooperation, it is essential to understand other people's cultural background, to "see where they come from". It is equally important to critically examine one's own culture as aspects one man's culture might be irritating to another or even dysfunctional in order to run a successful company. Personality Psychology's Dynamic Interactionism proves to be a good framework when it comes to understanding how the managers' personalities, their leadership behaviors, and a society's culture all interact with each other.

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