

# Cultural Profile of Russian Leadership: A Female Leader in Russian Business

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**Abstract.** The objective of this study is to find out definite features of Russian organizational leadership. The study is based on review and research analysis made by Westerns and Russian scientists. Results from previous analysis show that leaders of companies in Russia have strategic thinking; they are able to make important decisions, however, sometimes they prefer authoritarian way of leading. To complete the profile of Russian leadership we concentrated our attention on characteristics of a female leader in Russian business. Researches in women leadership field help to identify the main conditions for professional growth of women; to set up and develop requirements of different kind of educational programs; to develop social relations in business environment. According to findings, a woman-leader in Russia is well-educated, cares about family and finds time for a hobby. She prefers democratic and partner style. Thus, there is leadership style dependence based on location (center – region), age and job position.

**Keywords:** Leadership, Woman-Leader, Organizational Culture, Leadership Style.

## 1. Introduction

It is obvious that national culture has impact on organization: way of management, decision speed, functioning and so on. Hofstede (2001) did a significant research on cultures and values around the world. After him many scholars started to investigate the influence of national cultures. In term of globalization companies become similar but culture behavior remains unchanged (Adler, 2008)

After collapse of the Soviet Union, many scientists began to search about management and leadership in Russia (Ardichvili, 2001). They found out that there is its own unique leadership style in former Soviet Union.

Around 15 years ago business area in Russia totally belonged to men. But, now, the presence of women in business is growing quickly. The analysts registered the annual rise of female entrepreneurship. In 2009 Russia was third in number of business-ladies in entrepreneurship activity. Russian women become more active compare to men, they are ready to take a risk and run their own business. The experts believe that now there is the most convenient environment for women to start business in Russia (RWNet Info).

Of course there are still a lot of stereotypes in our society that business should belong to men, nevertheless, women more and more show their leadership skills and become the head of departments, lead corporations, run companies, set up own business, take part in political field.

According to Global Entrepreneurship Monitor survey research in 2007 Russian women, compare to Russian men, are more willing to make business career.

The reason of this trend is that women in Russia have higher level of education and ambitions. Also they are more motivated to start their own business because of wage gap among female and male workers. According to data, in Russia women earn 37% less than men even if they do the same job.

One more reason that motivates women is responsibility for the future of their children and their well-being. If compare Russian women with women in Western Europe, we can see that economic conditions in Russia force women put more and more efforts to have a good standard of living (RWNet Info).

## 2. Theoretical Framework

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In our study we state both cultural characteristics of Russian leadership and female leader profile. In terms of global integration and globalization many foreign companies enter to Russian market. Sometimes they face cultural problems – business become international but employee behavior nearly remains the same due to different cultural background. Situation in number of women in business is changing as well. There is a correlation between age of business-lady, her position and satisfaction. The maximum rate of satisfaction of own career advancement are found among women 40-50 years old. In this group 35-44% of women say that they satisfied with their professional achievements. Also, education, experience and background have significant influence on leadership style.

## 2.1. Methodology

Sample description: women-leaders of companies with amount of employees exceeding 150 people and sales volume more than 120 million rubles per year. Data collection was made by two methods:

- Formalized on-line questionnaire with 25 standard questions. 200 women were asked.
- Depth interview (5 interviews). The purpose was to identify main motives and barriers to achieve professional goals, specification and interpretation mass questionnaire results. Samples of the quantitative survey part covered main fields of economic sector.

The study involved women holding various leadership positions - the heads of departments and executive board, company owners.

To obtain comparable results, proportion of women representing Moscow companies as a center of entrepreneurial life in Russia was increased. The proportion of respondents from Moscow makes 80 %, from the other regions - 20%.

Respondents were taken from different forms of ownership. The majority of respondents (54%) are working in private Russian companies. Besides it, women from private foreign companies, government enterprise and nonprofit organizations were asked as well (PwC report, 2013).

## 3. Leadership in Russia

### 3.1. Project GLOBE and Russian segment

With data obtained from the most extensive cross-cultural research study about organizational leadership – Project GLOBE – it was discovered how organizational and social culture influence leadership style (Dickson et al., 2003).

Gratchev, Rogovsky, and Rakitski (2002), was responsible for the Russian segment of the Project GLOBE study. The data were collected in 1995-1996 and in 2001. 450 managers were asked during the survey. To have better results, respondents were chosen from different part of Russia; the average age was 38.8 years. They had lived in Russia for 37.9; their working experience was 16,8 years; 7,4 years of management experience; and 8,6 years of working experience in the current organization.

The questionnaire analyses are shown in terms of the six global leadership characteristics (see Fig. 1).

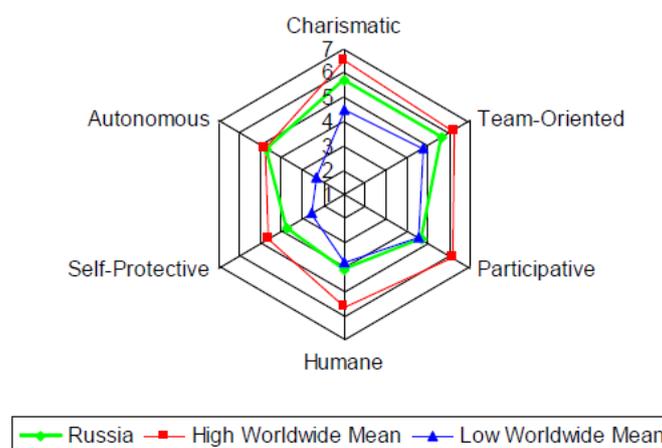


Fig. 1: Six Global Russian Leadership Characteristics According to Project GLOBE

According to findings, Gratchev *et al.* (2002) stated characteristics of an efficient Russian leader as follows: an experienced and competent manager with strategic thinking; he is able to make decisions and can motivate his followers to achieve the goal. Also the leader can rely on the coworkers and make the team work together. However, it doesn't care too much about personal matters or situation of employees. According to data, status is not important for Russian leader; he may sacrifice a lot to reach the organization's aim (p. 19).

As the top characteristics for career advancement, mentioned the following items: Personal Leadership (71%); Time Management (60%), and Creative Cooperation (42%), with Personal Vision a close fourth characteristic (40%). The least important were: Charisma (13%), Intellectual Stimulation (16%), Conflict Resolution (18%), and Self-Renewal (20%).

### 3.2. Russian leadership: Transition and diversity

According to the data collected by McCarthy, Puffer, May, Ledgerwood, and Stewart, Jr. (2008) it was found out that Russian leaders preferred transactional way of leading. Perhaps, this style was widespread among Russian managers because of unstable economic situation in past. With strict way of ruling, they wanted to get better results. However, Ardichvili and Gasparishvili (2001) in their research concern Russian leaders should forget about transaction style and start using transformational style of leadership in order to make their organization competitive.

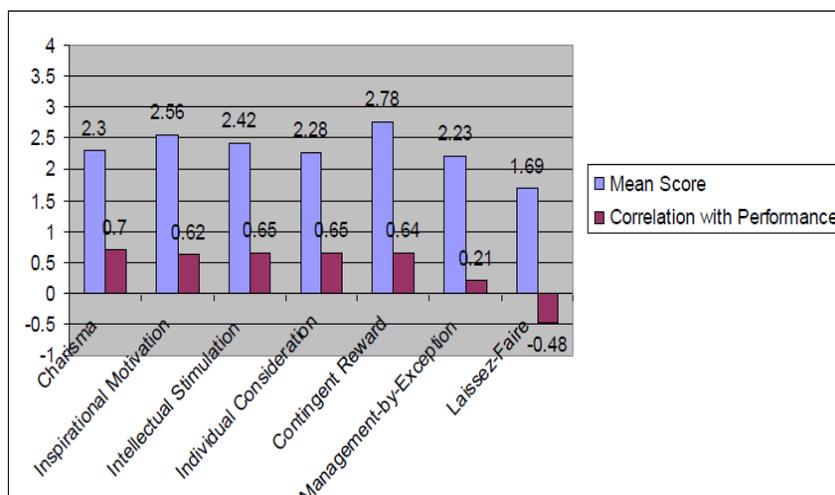


Fig. 2: Leadership behavior of Russian managers.

Researchers as Kets de Vries *et al.* (2005) state Russian leadership styles as authoritarian and commanding; leaders exactly know what they want, their competences are distinct (Kets de Vries *et al.* 2004). According to Gratchev and Bobina (2006) there are three types of leaders in Russia: “Old Guard, New Wave, and International Corps”.

Leadership style of present leaders is different. In most cases they know how to adjust this or that style depending on the current situation. Sometimes they use visionary leadership style because it is very effective in startup when the leader need to explain long-term goals and vision. Also, they use affiliative leadership style as well as democratic and coaching. Last three types are widely used by Russian female leaders who take a big field in Russian business.

## 4. A Female Leader in Russian Business

### 4.1. Picture of modern female leader

According to research data it was possible to make an image of a business-lady. It is a woman of 37,5 years old, raises a child and having significant experience (61% of respondents at leading position for more

than 5 years). She is well-educated : 40% has 2 or more educations, 9% - MBA Degree. However, the business-lady doesn't forget about family and finds time for a hobby. 78% of women prefer active leisure. They enjoy of sports and fitness (20%), travelling (14%) and dancing (8%). 58% of correspondents are going to continue their career development.

## 4.2. Women at leading positions

According to data, the number of women at top-manager positions is still low – no more than 5%. The situation with women on the board of directors is better: more than half the companies have one woman at board. Women want to change current situation and balance gender disposition. 82% of respondents believe that women should be on the board of directors.

During the survey, business-ladies were asked about how many women should be on board of the directors. Nearly half of the respondents (47%) think that a ratio of about 25-50% might be appropriate. Middle managers answered more conservatively. They (52%) consider that the ration of women in board of directors should not exceed 25%. It is noticeable, that the most conservative answers given were from women of middle age (30-40 years old), and the most labourite answers were given from respondents over 40 years old.

The idea that in board of directors of 10 persons that there should be 3-5 women, was supported by 43% of respondents between the ages of 30-40 and 55% - over 40 years old. Nevertheless, only 4% of women over 40 years old are welcomed to be in the board of directors.

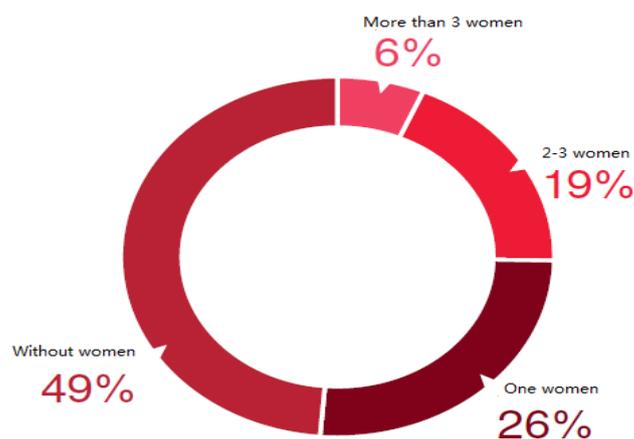


Fig. 3: Women opinion about presents on board of the directors.

## 4.3. Factors of steady career growth

Authors asked women to name the most important features for woman-leader. According to more than 60% of respondents, important professional features are following:

- High capacity for work;
- Responsibility;
- Good communicative skills;
- Strategic thinking.

For the less important features women (30%) mentioned sense of humor, risk-taking and self-actualization.

Business-ladies over 40 years old think that education and professionalism, team working skill, life experience is more important than visual appeal and social intercourse.

Contrary to expectations, the availability of social infrastructure for working mothers assessed by women of all age groups to be the least significant terms of career advancement.

It is interesting that women working in non-profit organization are more satisfied of their carrier growth and self-actualization. Also, it is necessary to point out that satisfaction carrier level of business-ladies from Moscow higher than in regions.

#### **4.4. Leadership style and relationships with subordinates**

Half of the surveyed women said they mostly run women departments. One third of the respondents lead mixed groups, and only 15 % of the total number of respondents lead men departments. There is evidence of the relationship between the gender composition of the groups, which are headed by interviewed women, and the total number of employees in the company. Women often run a women's groups in the companies with the number of employees more than 250 people. In companies with number of employees from 150 to 250 people women often lead mixed groups.

The majority of surveyed women feel equally comfortable in the role of managers in any gender composition of their subordinates. However, in those cases where the composition is dominated by representatives of the same sex, women-managers are much more likely prefer to manage a team with a predominance of men.

Over 44 % of respondents identify their leadership style as democratic or partner, and in the regions this figure exceeds 50 %; 22.5 % of respondents believe their leadership style strict and authoritarian. It is noticeable that this style spread higher in Moscow than in the regions. Flexible and liberal leadership style is preferred by 19 % of the respondents. This style is more popular among women-leaders in regions than in Moscow. The prevalence of democratic leadership style is typical for women working in all types of companies, except non-profit organizations where the most popular is a flexible liberal style. Moreover, women-leaders from non-profit organization hold to authoritarian, strict leadership style. Preferred leadership style has a strong dependence on age. Young women leaders (under 35 years) often prefer authoritarian or liberal style, but among women older than 35 years democratic, affiliate style is becoming more popular. In the group older than 45 years, this style is preferred by 69-75 % of the respondents.

#### **4.5. The combination of work and family duties, life satisfaction, degree of self-realization**

In all age groups the main place in the balance of time (not related with work) belong to family, as well as self-care and care of own health. Women from regions, spend more time on hobbies, and less time to communicate with family than respondents from Moscow. The older women leaders, the more time they spend communicating with family and reading non-professional literature. At the same time, they are less likely to visit cinemas, theaters, restaurants, and less often meet with friends. Of all the surveyed categories, women aged 35 to 45 years spend a big part of their free time for household chores. Also, at any age, women leaders are paying enough attention and time to care for themselves and care about health.

Most women-leaders are satisfied with the professional side of their life. 90 % of respondents indicate that they are either completely satisfied or rather satisfied with the way their career has developed. Also they satisfied with material well-being and social recognition. They are least satisfied with satisfaction with personal life and the ability to take care of health. The level of satisfaction for items such as profession's implementation, career, social recognition, and opportunity to take care of health is lower in Moscow than in regions. Only in the position of "material well-being", all women displayed a very high level of satisfaction.

On the question of whether the family is a catalyst or a barrier to career development , the majority of surveyed women chose the middle response options, according to which, the family at the same time helps career and hampers its development. Residents of Moscow are generally more positive about the possibility of combining family and professional life: among them, 20 % indicated that the family helps the career development (only 11 % of respondents from regions) (PwC report, 2013).

### **5. Conclusion**

This study presents leadership in Russia. The purpose is to display features of cultural profile and characteristics of female leader in Russian business. To achieve the goal we used data from Project GLOBE and survey about business-ladies. It was founded out that autocratic behavior was still widespread in Russia.

Also, there are many changes in gender issue. If 20 years ago we couldn't find any woman in business, now this situation is transforming. In spite of low number of women on the board of directors they want to balance gender disposition.

Women leadership style might be democratic and partner or strict and authoritarian. They can manage both female group of employees and mixed group. And, of course, they don't forget about family, health; they go in for sport, travel and so on.

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