SWP 26/87 CORPORATE LEADERS IN BRITAIN AND AMERICA
A CROSS-NATIONAL ANALYSIS

PROFESSOR DAVID NORBURN
Professor in Strategic Management

Cranfield School of Management
Cranfield Institute of Technology
Cranfield
Bedford MK43 OAL
United Kingdom

(Tel: 0234-751122)
(Fax: 0234 751806)

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ABSTRACT

This study tested for the extent of similarity between 1708 American senior vice-presidents and those of 418 British counterparts. The sample was drawn from the Fortune 500 and the Times 500, being representative of the top management teams of the largest national companies dominating domestic economies.

Results show substantial differences between American and British top management in terms of corporate "grooming", educational and domestic experiences, and in self-concept with regard to aspiration levels and executive success traits.

The findings of this research should have significance to scholars of overseas investment patterns; to U.S. and U.K. companies considering acquisitions in each other's countries; to top management evaluating managerial compatibility in potential U.S./U.K. joint ventures; and to those companies seeking competitive advantage in each other's domestic markets.
Early empirical investigation in the field of strategic management, focused upon the formulation of appropriate strategy (see Hofer & Schendel, 1978). As knowledge advanced, strategic typologies were developed and were related to alternative organisational structures (Chandler, 1962; Scott, 1971; Wrigley, 1971; Channon, 1974). This has been extended to the management of the strategic process (Peters & Waterman, 1982), and to top management selection consistent with the chosen strategy (Norburn & Miller, 1981; Leontiaides, 1982).

Yet the impact of the actual qualities and characteristics of top management, considered by Buzzell, Gale & Sultan (1975) to be a major explanatory factor in determining financial variability within their original Profit Impact of Market Strategies (PIMS) study, received little support during the 1970's. Indeed, both Hannan & Freeman (1977), and Pfeffer & Salancik (1978) contended that the impact of top managers upon organisational performance was minimal. However, possibly due to more turbulent trading conditions, contemporary alternative theory development has propounded that top management effects a more positive role, culminating in the "upper-echelon" theory of Hambrick & Mason (1984). This contends that the characteristics of the top management team (TMT) will be a partial predictor of organisational performance between competing companies.
Whereas elements of their theory have been supported empirically within US crisis companies (Hambrick & D'Aveni, 1985) or across domestic UK industry sector performance (Norburn, 1986), as yet no data has emerged at the TMT level on a cross-national, multi-company basis.

A focus for testing this extension is provided by the intensity of transatlantic commercial activity between Great Britain and the United States, for within the last five years, the exchange rate has varied between £1 = $2.43 and £1 = $1.05, a situation which has caused each country in turn to become extremely attractive as a location for commercial activity (Group of 30, 1984). This has taken a number of forms - a strategic stockholding (General Motors/British Leyland), joint-venture (Rolls Royce/Boeing), start-up (Herman Miller), or outright acquisition (Hanson/SCM). However, sufficient examples exist, albeit anecdotal, to suggest that successful implementation of these cross-national strategies by local management may have been constrained by the assumption on the part of the controlling corporation that top management characteristics are similar. For example, the Midland Bank/Crocker "embarrassment", or the Howard Johnson/Imperial Group debacle, both acquisitions having been recently divested upon a criterion of managerial incompatibility. If TMT differences do exist between the two nations across a wide section of companies, modification of strategic implementation to encompass these variations may well be suggested. Further, in the more competitive circumstances of an uninvited bid or entry into domestically dominated oligopolistic
industries (e.g., US steel industry: UK dairy processing industry), support will be given to Tuckman's (1984) argument, that knowledge of defending managements' characteristics which affect strategic positioning is crucial.

This research, therefore, tests for the extent of similarity between British and American top managers, its major proposition being that in terms of corporate "experiences", domestic and educational influences, and in personal beliefs with regard to managerial success traits and aspiration levels, significant dissimilarity will be demonstrated. Should this proposition be supported, its findings should have significance to scholars of inward and outward investment; to U.S. and U.K. companies considering acquisitions in each other's countries; to top management evaluating managerial compatibility in potential U.S./U.K. joint ventures; and to those companies seeking competitive advantage in each other's domestic markets.

LITERATURE REVIEW

The very lack of knowledge with regard to TMT characteristics, particularly on a cross-national basis, necessitates the weaving together of a number of strands of literature from different starting-points, but which impinge upon corporate leadership: those which concentrate upon the process of management in International Business; those which consider factors external to the company from
a Cross-Cultural perspective; and those from the area of Military Warfare.

Most top management studies in the area of International Business have been both unicentric and North American (see Sekaran, 1983; Adler, 1983(a)), and have concentrated upon the process of decision-making, not upon the decision-makers themselves. Where studies have been conducted outside the United States, the choice of country appears to be influenced by perceived atypicality, for example, a distinct counterpoint to US domestic managerial practice is illustrated by studies of Japanese management (Pascale, 1981: MacMillan, 1982).

The paucity of comparative research between the U.S. and the U.K. as to top management characteristics may therefore suggest that a perception of similarity exists. In support of this assumption Child (1981) states that UK and that US organisation structures have already merged in similarity across cultures, a proposal supported in these two countries by the earlier national studies of Wrigley (1971), and Channon (1974). Despite this momentum, however, research into the knowledge of the comparative characteristics of the corporate themselves is minimal. It is important, therefore to consider the caveat of Negandhi (1983) who, in his review of the extent of current knowledge with regard to Cross-Cultural studies, warns that existing evidence lies within the "twilight zone".
Contributions to theory have emanated from different starting points. Farmer & Richman (1985) adopted an external environmental approach and drew attention to the constraints upon managerial influence by the socio-economic, political, legal and technological factors. To them, managerial practices are a function of external forces. In counterpoint, Boddewyn (1966), although acknowledging the significance of environmental factors, warns of the danger in considering top management to be but passive agents, and "of letting the environment crowd the comparative analysis".

A third perspective is advanced by those who adopt a behavioral approach contending that managerial attitudes, values, and beliefs are functions of a national culture (see Nath, 1969: Davis, 1971), a view supported by Hofstede's (1980) empirical investigation into employee attitudes within a single giant multi-national corporation across 50 countries.

A fourth perspective is suggested by Negandhi (1983) who warns of the dangers in assuming that managerial characteristics are different for different cultures. He considers such factors as corporate size, location, and market complexity to be at least equal, if not more influential than national culture, an observation supported by the PIMS methodology (see Schoeffer, Buzzell & Heany, 1974).

Concentrating upon methodological issues in cultural investigation, Adler's (1983(a)) analysis revealed that 80% of the 11,000 articles
published in 24 management journals in the last decade were studies of the United States by Americans. From this understanding she developed a comprehensive typology of cross-cultural management research and delineated six approaches (Adler, 1983(b)). Of significance for this research, she stressed that for comparative studies one should search for both similarities and differences, labelling emergent similarity as universality, and emergent difference as cultural specificity. Her conclusion of tension between the current methodological superiority of traditional unicultural studies, and the impatience to develop rigorous multinational studies appears a sensible warning for an area of studies in the early stages of its development. For these reasons, and those of Ajiferuke & Boddweyn (1970), and Roberts (1970) who both note that a single definition of culture has yet to be agreed by management scholars, this research does not claim to be a rigorous cross-cultural study, but more a cross-national analysis mindful of the dangers of ethnocentric interpretation.

Moving outside of a commercial context, it would seem that the science of Military Warfare could, parenthetically, provide useful parallels for corporate investigation. Military practitioners in conventional warfare obtain success through assiduous analysis of terrain, topography, force deployment, and in particular, the characteristics of the opposing commander-in-chief. By relating this data to their strengths, military leaders are able to determine who to fight, whether to fight, when to fight, and with what resources. It becomes a strategic, tactical and operational
paradigm. This analogy between military warfare and product-market positioning has not gone unnoticed: increasingly, references to the battles of Sun-Yet-Sen, Seneca, Washington, Napoleon, Clauswitz, Haig are to be found in recent strategy articles (Kotler & Anhrol, 1981: Ginter & Rucks, 1984: Birley & Norburn, 1984). In military strategy, it is erroneous not to evaluate the characteristics of opposing generals, yet in strategic management, the behavioural characteristics of competing top managers - the "enemy" - as a predictor of strategic choice is, in corporate terms, an under-researched area.

THIS RESEARCH

Research Proposition:

From the literature review above it seems evident that knowledge as to TMT characteristics at a cross-national level is, to use Adler's (1983(b)) adjective, at best "murky". What is known tends to be either unicultural, or is single company based, or concerns few variables, or has been conducted at lower echelons within corporate hierarchies. In order to advance, this research adopts an exploratory and wider approach, leading to the following broad research proposition:
Corporate leaders at the TMT level within the largest US and UK companies will have been exposed to dissimilar influencing factors and demonstrate significantly different managerial characteristics.

Hypotheses and Variables:

Within this broad statement, the choice of specific top management characteristics emanate from the disciplines of Strategic Management, Organisational Behaviour, and Leadership Studies. Broadly speaking, these characteristics trichotomise, the establishment of which is an extension both of Cooper's (1981) classification of influence groupings upon the genesis of entrepreneurs, and upon de la Torre & Toyne's (1978) model of cross-national factors influencing managerial attitudes. Cooper separates antecedent influences, for example genetic factors, family, education, from incubational factors - those which constrain and condition managerial development within a corporate context. de la Torre & Toyne propose two similar groups to Cooper of factors pertinent to this study in addition to environmental and contextual factors (e.g. size) not applicable for this research design. To these two overlapping groups, a third grouping of Self-Concept has been added, owing much to the situational theorists in Leadership Studies. The three resultant groups are depicted in Figure 1 below together with summary sub-sets of the variables tested. They form the following broad hypotheses without any assumption of equal weight.
HI: The TMTs of the largest US and UK companies will demonstrate significantly different corporate experiences.

H2: The TMTs of the largest US and UK companies will demonstrate significantly different domestic and educational influences.

H3: The TMTs of the largest US and UK companies will demonstrate a significantly different self-concept.

Although a majority of the variables tested within the three groups emerge from the theoretically more advanced, and older, disciplines of organisational behaviour and leadership studies, it should be emphasised that theory-building in strategic management is at an early stage. Where pertinent, variables from this area are grounded in previous research: where not, from normative prescriptions within Business Policy literature. The specific variables tested are seen in Table 1.

H4: The Corporate Environ

Within this section, the chosen variables derive mainly from conceptual development in Business Policy, and group
into the three areas of functional track, of the breadth of company experience, and of workload.

The importance of functional experience and its effect upon perceptions of different trading environments has been developed by Lawrence and Lorsch (1973), Hayes and Abernathy (1980), and by Miles and Snow (1980). Length of tenure and stability of company performance are linked by Shetty and Perry (1976), and by Kotter (1982). The relationship between certain leadership experience and corporate trading environments is debated by Vroom and Yetton (1973), Osborn and Hunt (1975), Pfeffer and Salancik (1978), and by Yukl (1981). Handy (1976), Norburn and Miller (1981), and Leontiades (1982) all stress the importance of relating the breadth of managerial experience in multiple trading conditions to companies adopting strategic portfolios of both cash-consumptive and cash-generative strategic business units. Korn/Ferry (1979), Sussman (1979), and Heidrick & Struggles (1981, 1982), document and comment upon the increase in workloads as executives progress to the top of the corporate hierarchy.

Specific variables were operationalised from the theoretical development. Width of functional experience was measured by starting function, predominate career function, and current function. Breadth of company
experience was related to company tenure, to international postings, to the number of companies worked for and the reasons for moving, and to running their own business. Workloads were measured by the hourly working work, and to the number of nights spent away from home on company business.

$H_2$: The Domestic Environ

Variables tested in this constituency emanate largely from research in Organisational Behaviour. The conditioning of managerial attitudes from childhood family experience is suggested by Collins and Moore (1970), Handy (1976), and by Hunt (1979). The socio-economic background of senior executives is catalogued by Burck (1976), and by Sturdivant and Adler (1976). Stanworth and Curran (1976) extend this by suggesting a lack of upward social mobility. On both sides of the Atlantic - in England, Channon (1976), and in the United States, Collins and Moore (1970), Miner (1975), and Pfeffer (1981) - type of education is thought to predict membership of managerial level. Variables were therefore operationalised to measure childhood influences - sibling position; locality; parental guidance and socio-economic grouping; trauma; current marital situation; and the level and type of educational achievement.
H₃: Self-Concept

The variables tested within this last section are predominantly a development of Leadership Research. Bowers and Seashore (1966), Stogdill (1973), Gordon (1976), Katz and Kahn (1978) suggest success traits connected with top management levels. Further, Bray, Cambell and Grant (1974) consider the influence of the first boss to be reflected within those success traits. Leaders will demonstrate high achievement needs (McClelland (1965, 1975); Wainer and Rubin (1969); Donley and Winter (1970); Hundal (1971); Miner (1975)). Leaders will exhibit distinct managerial styles (Ohio studies (1950's); Michigan studies (1950's); Lickert (1961, 1967); Bowers and Seashore (1966)). Building upon the leadership concept of style, the situational theorists contend that different styles will be identified relative to different conditions (Fiedler, 1965; House, 1971; Crowe, Bucker and Clark, 1972; Vroom and Yetton, 1973; Hersey and Blanchard, 1977; Yukl, 1981). Youthfulness has been related to risk propensity (Child, 1974) and to the ability to consider commercial solutions from a wider set of options (Hart and Mellons, 1970). From these sources, variables were operationalised to measure ambition, need for achievement, challenge, career replication and managerial style, in addition to personal habits and religious affiliation, and age.
METHOD

Top Management Population:

Despite the debate as to the origin of strategic formulation within the organisational hierarchy (Norburn & Miller, 1981: Leontiades, 1982), the importance of top management in the choice of strategy is argued strongly by Hambrick & Mason, (1984). Further, Buzzell, Gale & Sultan (1975), and Katz & Kahn (1978) argue that the organisation's leaders are a major determinant of its strategic success. But what constitutes top management in cross-national comparative analysis?

In both the US and UK, the Board of Directors form the apex of the organisational pyramid. Yet despite both countries adopting a unitary model, unlike the two-tier "Mitbestimmung" structure of many continental European States, it would be erroneous to compare at this level. In the United States, some 65% of directors are external (Vance, 1983) whereas in the United Kingdom it is the internal directors who form the majority (Heidrick & Struggles, 1983). In this research, US top management was defined as senior vice-presidents with full-time executive responsibility. It does not include directors from US Boards who were part-time. To ensure direct comparability, the UK sample in turn excluded all part-time directors. The combined population is therefore directly accountable for strategic success or failure from a base of full-time employment within that one company.
Sekaran (1983) summarises the dangers inherent in cross-cultural studies, in particular the problems of ensuring functional equivalence (Sechrest, Fay & Zaidi, 1972), linguistic interpretation (Mitchell, 1969), and the transferability of US concepts to other cultures (Sekaran & Martin, 1982). In this study, the choice of senior executives at the top management level; their use of English as a common language; and the transfer of management concepts through business schools and through international trade, should mitigate against major false comparisons.

Sample:
US data was obtained from a survey by Korn/Ferry (1979) of America's 500 largest companies (Fortune 500) at the level of senior vice-president. A stratified sample of 3,640 executives was identified to ensure adequate representation of functional areas, and 1,708 valid questionnaires were returned, a response rate of 47%. The following year (1980), the same information was obtained by this author using identical questions via a self-administered questionnaire from UK senior executives who responded from a similar stratified sample of the largest 500 British companies (Times 500). Within this, 450 companies could be identified for comparable purposes and, of the 1800 executives targeted, 418 valid responses were received, a response rate of 23%. The response rate, although lower than that of the US survey, compares favourable with UK studies at the TMT level, (see Grinyer & Norburn, 1975; Birley, 1976). For the UK study, responding companies covered 18 of the 20
Standard Industrial Classification sectors (SICs) contained in the Times 500 thus indicating, in terms of industrial representation, that no prima facie evidence of atypicality should be suspected.

The percentage of industrial to non-industrial companies approximated 60/40 in both samples, and were similar therefore in comparative size within their domestic economics, technology and market concentration ratios (oligopolistic dominance). The warnings of Negandhi (1975) and Child (1981) as to the dangers of assuming different cultures in different countries without considering those corporate similarities above, were thus incorporated within the cross-national design. Age distributions for both samples were fairly similar, but remuneration levels differed strongly. Mean levels of remuneration were $116,000 in the US, compared to a lowly £35,000 (approximately $70,000 at 1980 exchange rates) in the UK - a point of considerable potential friction in the attempt to centralise salary structures after Anglo-American acquisitions or joint-ventures.

Data collected and Statistical method:
The data collected covered 40 variables and is shown in Table 1. Univariate tests of analysis were conducted to compare the items of the two populations. For metric data it was not possible to assume that the two distributions were distributed normally, and the standard deviations of the populations were unknown. However, given the large size of both samples, the central limit theorem was used and the two populations considered to be asymptotically normal. For
metric data, the standardised z statistic was utilised and for non-
metric data, the chi-squared test of homogeneity.

Data from the two groups of Corporate, and Domestic environs was
essentially factual. Where responses were judgemental, particularly
within the third group of Self-Concept, scales were drawn from the
literature referenced earlier in this paper. Statistical results
are presented in Tables 2, 3, and 4.

RESULTS

The overall proposition that US and UK managers would exhibit
dissimilarity over a wide range of characteristics and influences
received strong support. Of the 40 variables subjected to analysis,
some 32 (80%) demonstrate a statistically significant difference but
with disparate degrees of dichotomy in the three broad categories of
Corporate, Domestic, and Self-Concept. Results presented in each
category correspond to the summary headings depicted in Figure 1.

Corporate Factors. \(H_I\): The TMTs of the largest US and UK companies will demonstrate
significantly different corporate experiences.

Table 2 illustrates the complete dissimilarity between the TMTs of
the two nations, giving total support to the hypothesis \(H_I\).
Analysis from all 14 variables demonstrates a significantly
different result, 13 at the 0.01 level.
The UK top manager demonstrates a shorter tenure with his current company than does his US counterpart (Means: UK, 17 years; US, 19 years) and has been employed by more companies (Means: UK, 2.95; US, 2.58). In determining the major reasons for changing companies, the US manager rates increased responsibility relative to peer group highly: conversely, the UK manager is more likely to change companies for remuneration improvement combined with a perception of increased personal challenge.

In terms of functional experience, the entry-point for both sets was significantly different. Using Hambrick and Mason's (1984) classification, UK TMTs were more likely to have begun their careers within "out-put" functions (e.g. Marketing) than the "through-put" functions (e.g. accounting) of their US counterparts. But whereas the US manager stays within that entry-function, the UK manager moves on early into additional functions before assuming general management responsibility. The US top manager is therefore more likely to have experienced a greater concentration of specialisation within one function, whereas the UK manager has been exposed to a greater number of multi-functional problems, probably requiring strategic and tactical trade-offs. In addition, the UK manager is much more likely to have operated within an international trading
context, thus broadening his exposure of cross-national commercial situations.

The caricature of the British businessman portrayed in the US is one in which he arrives at the office after a leisurely breakfast and leaves for his club after lunch. This caricature seems overstated for the UK manager works longer weekly hours than his US counterpart, a workload which has increased over the last decade (Norburn, 1986), (Means: UK, 53 hours; US, 51 hours). Conversely the UK managers takes longer holidays (Means: UK, 3.77 weeks; US, 3.33 weeks), spends fewer nights away on business (Means: UK, 47; US, 50), and has experienced fewer relocations with his current company (Means; UK, 1.98: US, 2.1).

**Domestic Factors.** $H_2$: The TMTs of the largest US and UK companies will demonstrate significantly different domestic and educational influences.

Strong support was given to the Hypotheses $H_2$: of the twelve variables constituting this section, nine (75%) delineated between the two sets of managers, eight at the 0.01 level.

Insert Table 3 about here

In terms of education experiences, achievement of a university degree was distinctly higher within the US business community, since 87% of top US managers graduated at first degree level, compared to
54% of UK managers. However, of those with degrees, the British manager was more likely to have studied science than arts, whereas his American counterpart showed a two to one liberal arts majority. Although the US manager was more likely to continue his studies beyond the undergraduate level than his British counterpart, both managerial sets who had studied further showed similar emphasis on business education in the proportions of MBA achievement at the post-graduate level of attainment (45%).

Domestically, top managers in both countries experienced very little domestic trauma in terms of parental divorce or of their own, the rate (10%) being less than one third of the two national averages. Where marital trauma was experienced, that of the US manager emanated from spouse morbidity, whereas the UK manager was more likely to be divorced or separated.

Yet the difference in parental occupations was marked. The UK manager came from "professional", non-business stock, (U.K. = 62%; U.S. = 45%) whereas the US manager was more likely to have parents with blue-collar occupations (U.K. = 2%; U.S. = 21%). Additionally 18% of US managers had parents who ran their own business in sharp contrast to the UK manager, not one of whom came from a small business family background.

Self-Concept. H3: The TMTs of the largest US and UK companies will demonstrate a significantly different self-concept.
Support was given to hypotheses $H_3$, but at a weaker level than that given to $H_1$ and $H_2$. Of the fourteen variables contained within this section, nine (64%) delineated between the TMTs, seven at the 0.01 level.

Concerning TMT views on occupational matters, the US manager appears well satisfied at having achieved the upper echelon of management. His aspirations to further occupational advancement are low. Not so in the UK, for the British manager still aspires to further advancement within the Boardroom, or with another company.

This same divergence continues in respect of retirement. The US manager would be happy to continue at the same job beyond statutory retirement, and would embrace the same career if free to start again. Conversely, the UK manager would pursue a different, but related career and would be pleased to pursue this if early retirement was possible.

In reviewing the values of their organisation, top managers were asked to identify those traits which enhanced an executive's chances for success. Considerable differences emerged dichotomising upon the importance of the individual, and the importance of the group. To the American manager, concern for people commensurate with
personal integrity emerged strongly, factors of middling importance to the British manager. Conversely, high personal intelligence was thought vital to succeed in Britain, whereas in America intelligence achieved the penultimate lowest rank. Division also occurred with regard to the importance of personal ambition, in terms of replicating their historical career - 51% of U.K. Top Managers would choose a different career compared to 39% in the U.S.

Consistent with this result, and with the functional experiences described earlier, the US manager regards it better to remain with one company in order to achieve promotion to the top level. In contrast, the British manager considers "job-hopping" to be perfectly respectable, and is more inclined to use the network of patronage to achieve this.

DISCUSSION

The total extent of dissimilarity between the top managers of the two nations with respect to corporate factors leads this author to the view that one set may prosper under certain economic circumstances whereas the other might not. Taken overall, results in this section give broad support to those scholars who relate certain corporate experiences to certain trading conditions (e.g., Vroom & Yetton; 1973: Miles & Snow, 1980: Leontiades, 1982). The differences can be interpreted in three broad groups - those differences concerning inter-, and intra-company mobility, those concerning functional experience, and those to do with workloads.
With regard to mobility, UK managers have not only worked for more companies than the US TMTs but have achieved the upper-echelon at an accelerated rate. When combined with the major reason for changing companies - a "personal challenge" - it could be argued that the UK TMT would have not only a greater comparative experience of different corporate cultures and trading conditions, but might relish the discontinuity. Conversely, the experiences of the US TMT would appear more apposite under trading conditions of steady growth, supporting the results of Shetty & Perry (1976).

The different functional experiences also support this view. The US TMT is more likely to comprise functional specialists who have experienced a lesser degree of cross-functional, general management exposure. This occupational concentration continues at the international level, the US TMT being far less likely to have experienced overseas competition. From this, it could be argued that the US manager would start at a low point on the learning curve when combating non-domestic competition, and when entering export markets. His experience is narrow, an observation supporting Handy's (1976) proposition as to the importance of functional width in adapting to increases in competitive activity.

Given the widely different proportions of exports as a share of national output between the two countries - the UK percentage being nearly three times that of the US - it is not surprising that the focus of the US manager should be domestic. Yet the 1986 US trade
deficit is forecast to exceed $150b. and when asked to rank "fast-track" functions for the 1990's, the US manager considers international exposure to continue to be of a low importance. The UK manager does not: he strongly emphasises the increasing importance of this particular experience, viewing the next decade as one in which commercial success will be the more determined within an international business arena.

When adding the differences in workload factors, the entire section of corporate experience demonstrates a condition of dissimilarity. It would appear that the US manager is treading a well worn path. He is a functional specialist and domestically orientated in both inter- and intracompany experiences. In conditions of competitive inertia, this managerial "grooming" would cause little concern. Yet the last decade has seen the decline of US production as a percentage of world gross national product from 30% to 20% - hardly a steady-state economic environment.

The genesis of variables within the second Domestic Environ originate predominantly from US sources, yet results from the analysis underline the dangers of ethnocentral generalisability (cf. Collins & Moore, 1970: Miner, 1970). Educational experiences continued the differences between the two sets, but with a convergent/divergent pattern. In the US, the TMT received, predominantly, a general liberal arts education and became a specialist at the corporate stage of managerial development. The reverse is seen in the UK. Here the TMT attains a specialist,
usually science-based, degree before rapid promotion from the entry function to general management responsibility. An interesting research issue is thus raised as to whether a scientific education is more likely to focus top management's priorities upon strategic advantage. Mintzberg (1976) has argued that strategic planning emanates from the left cerebral hemisphere, the very genesis of logic and rationality. Does a scientific education develop this facility more than liberal arts?

The untroubled domesticity of both sets of TMTs was surprising, particularly when contrasted to the perceptions of high stress for top executives. The divorce rates for both sets was less than 10%, an exact "mirror" to that of their parents. This "patterning" continued for the U.K. TMT in terms of social immobility: the British managers come from parents who have already achieved the higher socio-economic echelons. The reverse situation is to be seen in the U.S. with strong evidence of upward social mobility, thus supporting the earlier results of Sturdivant & Adler (1976). Sociologists who contend that movement in British social class groupings is slow, perpetuating the elite, find support from this sample (Stanworth & Curran, 1976). Although sibling position failed to differentiate between the two sets, further analysis on a national-only basis was unsupportive to those scholars who consider the first or last child to exhibit greater leadership characteristics than those in the middle order (Hunt, 1979).
Variables within the section Self-Concept showed a lesser degree of differentiation between the two sets, and, as a result, support for many of the propositions was mixed. Those leadership traits as propounded by Stogdill (1973), Gordon (1976), and Katz and Kahn (1978) — for example, the high incidence of creativity — were more strongly supported by the U.K. set as a criterion for management success than by their U.S. counterparts. Similarly the need to achieve, so strongly advanced by the Ohio and Michigan Schools (1950's) as a leadership characteristic, was significantly weaker in the U.S. Age also delineated: whereas Hart and Mellons (1970), Child (1974), and Hambrick and Mason (1984) advanced that youthfulness would cope better with trading uncertainty, it was the older British TMT that demonstrated the more appropriate characteristics for these situations.

Conversely, classifications of managerial style found support on both sides of the Atlantic: corporate leaders in each country describing similar methods of managing. This result supports the behavioural style school (Lickert, 1967; Bowers and Seashore, 1966) and also the situational school (House, 1971; Hersey and Blanchard, 1977; Yukl, 1981) of leadership theorists.

The differences which emerged within this section of Self-Concept as to managerial views concerning aspiration levels, and particularly the desire to replicate their working life, mirrored those results discussed within the Corporate section. The U.K. TMT appear restless and continually striving for new challenges: in contrast, the U.S.
TMT do not. In America, more of the same is perceived to equate with managerial contentment: in Britain, it does not.

CONCLUSIONS

This research was conducted to test the extent of similarity between British and American managers at the highest echelon in terms of their corporate experiences, their domestic and educational influences, and their self-concept. It was justified on the basis of lack of knowledge of TMT characteristics, a situation of potentially increasing importance given the level of strategic commercial activity between these two countries. Whereas prudent interpretation should be exercised given the exploratory nature of its research, nevertheless the extent of dissimilarity between the top management characteristics of the two countries is patently substantial, since of the 40 variables compared, 32 (80%) showed a significant difference.

The similarity of organisational structures between the largest companies within the two nations as argued by Wrigley (1971), Channon (1974), and Child (1974), failed to extend into the similarity of managerial characteristics. The results from this sample are less supportive to those of Hofstede (1980) who concluded that similar cultures would exhibit similar "clusters" of managerial characteristics, but his is a conclusion dependent upon an assumption of U.S./U.K. cultural similarity. The caveat of Ajiferuke and Boddewyn (1970), therefore, in warning that a single
definition of culture had yet to be agreed between management scholars appears just as apposite a decade and a half later. If one contends that U.S. and U.K. cultures are dissimilar, then the views of Nath (1969) and Davis (1971) that managerial attitudes and values are functions of a national culture must be supported. Yet a strong conclusion to this effect would be premature, and it is worthwhile to consider the alternative views of Negandhi's theory relative to these results. Negandhi (1983) hypothesised that corporate size and market complexity would be a stronger moderator of managerial values than national culture. It is not surprising that from this sample, with its similarity in the industrial/commercial mix and in relative concentration ratios, that evidence to support this view fails to emerge. Yet further segmentation of his hypothesis does suggest at least three areas for future research which may well diminish the impact of national culture and support his position.

The first would be to relate top management characteristics across national boundaries, to compare specific industries. Whereas this research has adopted a "helicopter" viewpoint - the largest US and UK companies within their relative domestic economies - it would be of particular interest to analyse industries in growth or in decline across a number of countries. Following from this, the second area would be to relate top management characteristics across national boundaries, to the financial performance of their relative companies relative to industry performance. This would extend Hambrick & Mason's (1984) "upper-echelon" theory on a cross-national basis. The third development would be to test for significant levels of
difference within companies at hierarchical points of the organisation structure. It should thus reveal the existence of desired success characteristics on an intra-company basis, and again would lend itself to cross-national comparison.

Implications for Business

The concept of a corporate "transatlantic transplant" is clearly not sustainable: to the business community, the results of this research indicate major differences in both the corporate "grooming" and self-perceptions of the two top management sets. Given this distinction, any company considering investment positions, joint ventures, or acquisition in each other's countries, should critically review these strategic choices in the light of domestic managerial perceptions. The Peters & Waterman (1982) US study already indicates that within a domestic corporate context, consensus in defining the organisation's "culture" emerged from shared values, experiences and beliefs. Where this is identifiable, so too is the organisation's financial success. Yet to the American top manager, the British counterpart would appear an antithesis - personally ambitious, individualistic, and potentially disloyal to "the company". To the British, the reverse would be perceived - the American being introverted, needing peer-group reinforcement, a one-company manager, and rather dull. It therefore follows that the chances for the success of a cross-national strategy should improve by modifying the normal methods for domestic strategic implementation relative to the characteristics of those managers who
will actually carry it out. As Fiedler (1965) reminded us two decades ago, better to "engineer the job to fit the manager" rather than the other way round. Failure to acknowledge these differences prior to the strategic decision may mitigate against the attainment of potential competitive advantage. Failure to harness these differences, having made the cross-national strategic decision, may impinge upon the achievement of the anticipated profit streams which justified the decision prior to its implementation.
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Farmer, R.N. & Richman, B.M.

Fiedler, F.E.
Gordon, L.V.

Group of 30

Ginter, P.M. & Rucks, A.C.

Hambrick, D.C. & Mason, P.A.

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Vance, S.

Vroom, V.H. & Yetton, P.W.

Wainer, H.S. & Rubin, I.M.

Wrigley, L.

Yukl, G.A.
Figure 1

SELF-CONCEPT → TOP MANAGEMENT TEAM → DOMESTIC ENVIRON

CORPORATE ENVIRON

e.g. occupational views
  - company views
  - personal beliefs
  - and habits

e.g. functional mobility
  - functional experience
  - workloads

- family influences
- locational upbringing
- education
<table>
<thead>
<tr>
<th>VARIABLES OPERATIONALISED TO ESTABLISH POTENTIAL DIFFERENCE BETWEEN U.S. AND U.K. TMTs</th>
</tr>
</thead>
<tbody>
<tr>
<td>CORPORATE ENVIRON</td>
</tr>
<tr>
<td>Tenure with current company; number of companies worked for; reasons for changing companies.</td>
</tr>
<tr>
<td>Functional experiences; starting, predominant, ending. Fastest functional route to the top; run own business.</td>
</tr>
<tr>
<td>Workloads; nights away from home; Holidays taken; number of relocations.</td>
</tr>
<tr>
<td>DOMESTIC ENVIRON</td>
</tr>
<tr>
<td>Education: secondary, university. Subjects studied. Sport at university - team v. individual; importance of winning.</td>
</tr>
<tr>
<td>Childhood: region, locality; parental: influence, occupations Siblings &amp; sibling position; Marital: spouse, spouse employment; number of children; Outside interests.</td>
</tr>
<tr>
<td>SELF-CONCEPT</td>
</tr>
<tr>
<td>Aspiration levels; job replication; patronage effect; mentors; executive success traits; managerial style; perceived company status.</td>
</tr>
<tr>
<td>Religion; politics; drink, stress, smoking, sleep habits.</td>
</tr>
<tr>
<td>Age</td>
</tr>
</tbody>
</table>


### TABLE 2: CORPORATE ENVIRON

#### Non-Metric Variables

<table>
<thead>
<tr>
<th>Variables</th>
<th>$\chi^2$</th>
<th>D.F.</th>
<th>Significance Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reason for changing companies</td>
<td>19.213</td>
<td>7</td>
<td>0.0075</td>
</tr>
<tr>
<td>Career starting function</td>
<td>26.871</td>
<td>7</td>
<td>0.0040</td>
</tr>
<tr>
<td>Predominant career area</td>
<td>103.179</td>
<td>7</td>
<td>0.0001</td>
</tr>
<tr>
<td>Current career area</td>
<td>107.089</td>
<td>7</td>
<td>0.0001</td>
</tr>
<tr>
<td>&quot;Fast-track&quot; functions in the 1990's</td>
<td>31.784</td>
<td>7</td>
<td>0.0001</td>
</tr>
<tr>
<td>International experience</td>
<td>138.854</td>
<td>1</td>
<td>0.0001</td>
</tr>
<tr>
<td>Value of International experience</td>
<td>29.053</td>
<td>1</td>
<td>0.0001</td>
</tr>
<tr>
<td>Working week increase</td>
<td>13.840</td>
<td>2</td>
<td>0.0010</td>
</tr>
</tbody>
</table>

#### Metric Variables

<table>
<thead>
<tr>
<th>Variables</th>
<th>UK</th>
<th>US</th>
<th>Z</th>
<th>Significance Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Years tenure with current company</td>
<td>17.3</td>
<td>18.6</td>
<td>2.56</td>
<td>0.0050</td>
</tr>
<tr>
<td>Number of companies worked for</td>
<td>2.95</td>
<td>2.58</td>
<td>10.9</td>
<td>0.0010</td>
</tr>
<tr>
<td>Number of hours worked weekly</td>
<td>53.2</td>
<td>51.3</td>
<td>4.06</td>
<td>0.0010</td>
</tr>
<tr>
<td>Number of nights away from home</td>
<td>46.6</td>
<td>49.9</td>
<td>1.74</td>
<td>0.0409</td>
</tr>
<tr>
<td>Number of household relocations</td>
<td>1.98</td>
<td>2.1</td>
<td>2.76</td>
<td>0.0052</td>
</tr>
<tr>
<td>Weeks holiday</td>
<td>3.77</td>
<td>3.33</td>
<td>4.54</td>
<td>0.001</td>
</tr>
</tbody>
</table>

$n = 418 \quad n = 1,708$
TABLE 3: DOMESTIC ENVIRON

<table>
<thead>
<tr>
<th>Non-Metric Variables</th>
<th>$X^2$</th>
<th>D.F.</th>
<th>Significance Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parental marital status</td>
<td>13.205</td>
<td>3</td>
<td>0.0042</td>
</tr>
<tr>
<td>Father's occupation</td>
<td>193.26</td>
<td>5</td>
<td>0.0001</td>
</tr>
<tr>
<td>Mother's occupation</td>
<td>52.183</td>
<td>5</td>
<td>0.0001</td>
</tr>
<tr>
<td>Personal marital status</td>
<td>10.937</td>
<td>4</td>
<td>0.0273</td>
</tr>
<tr>
<td>Spouse employment</td>
<td>13.523</td>
<td>2</td>
<td>0.0012</td>
</tr>
<tr>
<td>Arts vs. science first degree</td>
<td>189.384</td>
<td>2</td>
<td>0.0001</td>
</tr>
<tr>
<td>Postgraduate degree</td>
<td>24.463</td>
<td>2</td>
<td>0.0001</td>
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<tr>
<td>MBA</td>
<td>Not significant</td>
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<td></td>
</tr>
<tr>
<td>Reason for single parent upbringing</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Birth position</td>
<td>Not significant</td>
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</table>

<table>
<thead>
<tr>
<th>Metric Variables</th>
<th>Means</th>
<th>Difference between Means</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>UK</td>
<td>US</td>
</tr>
<tr>
<td>Number of siblings</td>
<td>0.67</td>
<td>1.05</td>
</tr>
<tr>
<td>Number of children</td>
<td>2.6</td>
<td>2.9</td>
</tr>
</tbody>
</table>
### TABLE 4: SELF-CONCEPT

<table>
<thead>
<tr>
<th>Non-Metric Variables</th>
<th>$x^2$</th>
<th>D.F.</th>
<th>Significance Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive success traits</td>
<td>207.852</td>
<td>11</td>
<td>0.0001</td>
</tr>
<tr>
<td>Existence of patronage</td>
<td>3.565</td>
<td>1</td>
<td>0.0590</td>
</tr>
<tr>
<td>Aspiration levels</td>
<td>47.605</td>
<td>1</td>
<td>0.0001</td>
</tr>
<tr>
<td>Same career again</td>
<td>32.357</td>
<td>2</td>
<td>0.0001</td>
</tr>
<tr>
<td>Desired retirement age</td>
<td>17.401</td>
<td>1</td>
<td>0.0001</td>
</tr>
<tr>
<td>Religious beliefs</td>
<td>94.863</td>
<td>3</td>
<td>0.0001</td>
</tr>
<tr>
<td>Drinking habits</td>
<td>54.539</td>
<td>4</td>
<td>0.0001</td>
</tr>
<tr>
<td>Smoking habits</td>
<td>9.956</td>
<td>4</td>
<td>0.0412</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Metric Variables</th>
<th>Means</th>
<th>Difference between Means</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>UK</td>
<td>US</td>
</tr>
<tr>
<td>Age</td>
<td>53.9</td>
<td>52.7</td>
</tr>
</tbody>
</table>
### TABLE 4: CORPORATE ENVIRONMENT

<table>
<thead>
<tr>
<th>VARIABLES</th>
<th>RESULTS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Job-Centred:</strong></td>
<td></td>
</tr>
</tbody>
</table>
| - Years tenure with current company | Median range: UK = 16-20; US = 16-20  
Mean values: UK = 17.3; US = 18.6  
Z-score $= 2.56$ $P(Z > 2.56) \leq 0.005$  
Median values: UK = 3; US = 2  
Mean values: UK = 2.95; US = 2.58  
Z-score $= 10.9$ $P(Z > 10.9) \leq 0.001$ |
| - Number of companies worked for | |
| - Reason for changing companies | Chi-square $= 19.213$, DF $= 7$  
$P(\chi^2 \geq 19.213) = 0.0075$ |
| - Career starting function | Chi-square $= 26.871$, DF $= 7$  
$P(\chi^2 \geq 26.871) = 0.004$ |
| - Predominant career area | Chi-square $= 108.179$, DF $= 7$  
$P(\chi^2 \geq 108.179) = 0.0001$ |
| - Current career area | Chi-square $= 107.089$, DF $= 7$  
$P(\chi^2 \geq 107.089) = 0.0001$ |
| - Fast-track functions in | Chi-square $= 31.784$, DF $= 7$  
$P(\chi^2 \geq 31.784) = 0.0001$ |
| **"Hygiene" factors:** | |
| - Number of hours worked weekly | Median range: UK = 51-55; US = 46-50  
Mean values: UK = 53.2; US = 51.3  
Z-score $= 4.06$ $P(Z > 4.06) \geq 0.001$ |
| - Working week increase | Chi-square $= 13.840$, DF $= 2$  
$P(\chi^2 \geq 13.840) = 0.001$ |
| - Number of nights away from home | Median range: UK = 31-40; US = 41-50  
Mean values: UK = 46.6; US = 49.9  
Z-score $= 1.74$ $P(Z > 1.74) \leq 0.0409$ |
| - Number of household relocations | Median values: UK = 2; US = 2  
Mean values: UK = 1.98; US = 2.1  
Z-score $= 2.76$ $P(Z > 2.76) \leq 0.0052$ |
| - Weeks holiday | Median values: UK = 4; US = 3  
Mean values: UK = 3.77; US = 3.33  
Z-score $= 4.54$ $P(Z > 4.54) \leq 0.001$ |
| **International exposure:** | |
| - Worked overseas | Chi-square $= 138.854$, DF $= 1$  
$P(\chi^2 \geq 138.854) = 0.0001$ |
| - Values of international experience | Chi-square $= 29.053$, DF $= 1$  
$P(\chi^2 \geq 29.053) = 0.0001$ |
<table>
<thead>
<tr>
<th>VARIABLES</th>
<th>RESULTS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Family Influences:</strong></td>
<td></td>
</tr>
<tr>
<td>• Parental marital status</td>
<td>Chi-square = 13.205, DF = 3</td>
</tr>
<tr>
<td></td>
<td>$P(χ^2 \geq 13.205) = 0.0042$</td>
</tr>
<tr>
<td>• Parental occupations</td>
<td></td>
</tr>
<tr>
<td>- Father</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Chi-square = 193.26, DF = 5</td>
</tr>
<tr>
<td></td>
<td>$P(χ^2 \geq 193.26) = 0.0001$</td>
</tr>
<tr>
<td>- Mother</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Chi-square = 52.183, DF = 5</td>
</tr>
<tr>
<td></td>
<td>$P(χ^2 \geq 52.183) = 0.0001$</td>
</tr>
<tr>
<td>• Number of brothers</td>
<td>Median values: UK = 1; US = 1</td>
</tr>
<tr>
<td></td>
<td>Mean values: UK = 0.87; US = 1.05</td>
</tr>
<tr>
<td></td>
<td>Z-score = 3.0 $P(Z &gt; 3.0) \leq 0.0013$</td>
</tr>
<tr>
<td>• Current marital status</td>
<td>Chi-square = 10.937, DF = 4</td>
</tr>
<tr>
<td></td>
<td>$P(χ^2 \geq 10.937) = 0.0273$</td>
</tr>
<tr>
<td>• Spouse employment</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Chi-square = 13.523, DF = 2</td>
</tr>
<tr>
<td></td>
<td>$P(χ^2 \geq 13.523) = 0.0012$</td>
</tr>
<tr>
<td>• Number of children</td>
<td>Median values: UK = 2; US = 3</td>
</tr>
<tr>
<td></td>
<td>Mean values: UK = 2.6; US = 2.9</td>
</tr>
<tr>
<td></td>
<td>Z-score = 4.4 $P(Z &gt; 4.4) \geq 0.001$</td>
</tr>
<tr>
<td><strong>Education:</strong></td>
<td></td>
</tr>
<tr>
<td>• Undergraduate</td>
<td></td>
</tr>
<tr>
<td>- Arts vs. Science</td>
<td>Chi-square = 189.384, DF = 2</td>
</tr>
<tr>
<td></td>
<td>$P(χ^2 \geq 189.384) = 0.0001$</td>
</tr>
<tr>
<td>• Postgraduate degree</td>
<td>Chi-square = 24.463, DF = 2</td>
</tr>
<tr>
<td></td>
<td>$P(χ^2 \geq 24.463) = 0.0001$</td>
</tr>
</tbody>
</table>
### TABLE 6: SELF-CONCEPT

<table>
<thead>
<tr>
<th>VARIABLES</th>
<th>RESULTS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Company Views:</strong></td>
<td></td>
</tr>
</tbody>
</table>
| . Executive success traits  | Chi-square = 207.852, DF = 11  
                           | \[ P(x^2 \geq 207.852) = 0.0001 \]  
                           | Existence of patronage to     
                           | Chi-square = 3.565, DF = 1    
                           | \[ P(x^2 \geq 3.565) = 0.0590 \] |
| **Job-Views:**             |         |
| . Aspiration               | Chi-square = 47.605, DF = 1     
                           | \[ P(x^2 \geq 47.605) = 0.0001 \]  
                           | Same career again             
                           | Chi-square = 32.357, DF = 2    
                           | \[ P(x^2 \geq 32.357) = 0.0001 \]  
                           | Desired retirement            
                           | Chi-square = 17.401, DF = 1    
                           | \[ P(x^2 \geq 27.502) = 0.0001 \] |
| **Personal:**              |         |
| . Age                      | Median range: UK = 50-54; US = 50-54  
                           | Mean values: UK = 53.9; US = 52.7  
                           | Z-score = 2.79 \[ P(Z \geq 2.79) = 0.0026 \]  
                           | Religion                    
                           | Chi-square = 94.863, DF = 3   
                           | \[ P(x^2 \geq 94.863) = 0.0001 \]  
                           | Drink                       
                           | Chi-square = 54.539, DF = 4   
                           | \[ P(x^2 \geq 54.539) = 0.0001 \]  
                           | Smoke                       
                           | Chi-square = 9.956, DF = 4    
                           | \[ P(x^2 \geq 9.956) = 0.0412 \]  |