A Study of Hong Kong Managers’ Leadership Competencies in the Financial Services Industry in the Mainland China Context

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ABSTRACT

This research was designed for examining the leadership competencies needed for Hong Kong managers in financial services industry in the Mainland China context. The review of literature was focused on effective leadership theories and leadership competencies. Through the literature synthesis, a conceptual model was developed using Chinese Implicit Theory of Leadership (CILT) as a basis for the measurement of leadership competencies of Hong Kong financial managers who have been doing business in the Mainland China context. This study adopted quantitative approach by using a sample size of 146 Hong Kong financial managers and respondents were asked to conduct an online survey regarding the leadership competencies and leaders’ perceived effectiveness in the Mainland China context. SPSS was employed as the main analytical tool, and factor analysis and multiple regression analysis were performed to examine the dimensions of leadership competencies of the selected Hong Kong financial managers for effective leadership in the Mainland China context. A total of 146 completed questionnaires were analyzed. Bi-variate correlation and linear regression tests found a positive significant relationship between leadership competencies and perceived leadership effectiveness. Multiple regression analysis was used to determine the best fit model of effective leadership of financial managers working in the Mainland China context. The best fit model includes the independent variables of personal morality, goal effectiveness, interpersonal competency and versatility and the findings are consistent with Chinese Implicit Theory of Leadership. Two new leadership competencies are proposed for the refinements of the CILT model namely integrity and street smart and a new model of CILT is developed. In order to enhance leadership effectiveness of Hong Kong financial managers in the Mainland China context, organizations should provide leadership training programmes regarding vision communication and strategic goal setting, risk management, soft skills development and versatility leadership, enabling financial managers lead effectively. In addition, organizations should consider personal traits and personal qualities or personal morality as a whole in the selection of financial managers during the recruitment process.