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A Qualitative Study of Leadership Styles in Vietnamese Small and Medium-Sized Enterprises

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Abstract

This study examines the determinants of leadership styles in Vietnamese small and medium-sized enterprises (SMEs). It is among the first analysis to shed light on leadership's behaviors, attitudes, and contextual culture. In this qualitative design of research, interviews with 51 managers were conducted to discover determinants related to enterprise characteristics, job features, leaders, and employees' characteristics. Findings indicate that leaders should adjust their behaviors to fit business sectors, growth and developmental phases, firm size, and other dimensional relationships. Leaders' qualitative traits such as personalities, capabilities, managerial level, EQ, past jobs, earlier superior, and employees' specific characteristics like personalities, age, competencies, working experience, and behavioral attitudes should be considered. Endogenous and exogenous business environments and Vietnamese culture stem as main determinants in amalgamating leadership' behaviors. The research contributes to the theoretical body of knowledge and behavioral science in general and leadership styles in particular. It may serve as a reference for Vietnamese SMEs' managers to align their leadership behaviors with ideal models. They might also support agencies and training institutions to consult SMEs for operational and development purposes.

In the era of international economic integration, SMEs are acknowledged as the key driving force of sustainable economic growth in both developed and developing nations. In Vietnam, SMEs play a crucial role in creating jobs, alleviating poverty, increasing GDP, and boosting the national economy (Tuan, 2020). Based on the 2020 General Statistics Office, SMEs constitute 97 percent of the Vietnamese business sector (Nguyen et al., 2020). Yet, despite their substantial role (Prasanna et al., 2019), they are facing numerous challenges and constraints that stem from difficulties to access financial resources, lack of comprehensive database, low expenditures for R&D, insufficient application of information technology (Yoshino & Taghizadeh, 2016), human resources limitations (Samuel, 2019), and managerial capabilities (Mwika et al., 2018).

In this context, SME's owner is often the manager/leader who almost captures, overshadows, and oversees every business aspect (Birley &

Godfrey, 1999) and has intrinsically personal and direct relationships with employees. The owner's attitudes and behaviors significantly impact SMEs' performance (Yukl, 1998), and most SMEs lack the internal capabilities required to achieve superior business performance (Chumphong & Potipiroon, 2019). In the same vein, limited leadership skills or managerial abilities undermine SMEs' development (Storey, 2005). Nowadays, the dynamic nature of the work environment is impregnated by rapid and continuous changes (Smithikrai & Suwannadet, 2018), whereby employees' satisfaction and engagement become highly crucial to business success (Tepayakul & Rinthaisong, 2018). Accordingly, SMEs' leaders should be resilient to embrace changes and accommodate disruptive events and abnormal situations.

The topic of leadership styles has attracted the attention of both academicians and practitioners. Several papers have addressed determinants of

leadership styles such as enterprises characteristics (Burrell et al., 2010; Nojimu, 2014; Mihai, 2015; Cohn, 2016; Patel, 2018), job features (Nojimu, 2014; Cohn, 2016; Silingiene, 2011), leader traits (Avery, 2001; Vesterinen, 2009; Marcinkeviciute & Zukovskis, 2016; Patel, 2018), and employee characteristics (Vesterinen, 2009; Pakhare, 2011; Nojimu, 2014; Cohn, 2016; Leonard, 2020). Despite this broad research interest, there is a dearth of studies that have empirically investigated the determinants of leadership style in SMEs, especially in the Vietnam context. To fill the gap, this study aims to examine the determinants of leadership style choice. It serves to enhance managers' effectiveness and managerial behaviors. The qualitative approach by using interviews to collect data in both breadth and depth. Such tools encourage participants to explain, add comments, and share their own experiences is applied (Saunders et al., 2012; Bryman & Bell, 2011). Our research contributes to the body of behavioral science knowledge and the investigation of leadership styles in the context of SMEs in emerging nations such as Vietnam.

Literature Review

This section presents theoretical backgrounds of leadership styles, categories and selection by SMEs, and determinants of these choices, including enterprise characteristics, job features, leader and employee characteristics.

Leadership Styles and its Significance in SMEs

Leadership implies the influential process to direct and incite people to accomplish preset goals (Lin et al., 2018). Nam and Park (2019) describe leadership styles as the pattern of interactions between leaders and followers. Fang et al. (2009) emphasize that leadership styles have remarkable impacts on employees' satisfaction, trust, and loyalty, leading to improved companies' operational performance. In SMEs, leadership styles directly influence leader's behaviors and actions (Chaganti et al., 2002), which remarkably impact the SMEs' performance (Yukl, 1998). Leadership styles are closely tied to each employee's performance and the creative work environment in SMEs. Such styles can directly impact SMEs' success or failure and their competitive advantage (Arham et al., 2013).

Some leadership theories provide a clear explanation of the determinants of adopting leadership styles. The behavioral leadership theory suggests that leaders are not born successful but can

develop such skills based on learnable behavior categorized in different patterns such as task-oriented and people-oriented leaders. Furthermore, the trait theory suggests that leaders can attain top positions due to their specific personal innate traits. The contingency theories such as Fiedler's Contingency Theory and the Evans and House Path-Goal theory emphasize the situational context's determination that explicates a leader's effectiveness. Good leaders are resilient and can adjust their leadership styles to match each specific scenario. This latter factor is impacted by internal factors such as the company's legal nature and size and external factors such as customers' tastes and marketplace commonalities. Finally, the relationship theory of leadership focuses on leaders who allocate great attention to interactions with others, such as mentoring employees, scheduling discussions, and satisfying their needs (Western Governors University, 2020).

Types and Choice of Leadership Styles

According to Burns (1978), leadership styles can be grouped into two main approaches: transformational and transactional styles. Transactional style enables leaders to create motivational incentives through punishments and rewards, while transformational style inspires changes in followers' values and other stakeholders' identities.

The pioneering study of Lewin et al. (1939) segregates leadership styles into three main types: autocratic (authoritarian leadership), democratic (participative leadership), and laissez-fair (delegative leadership). In the autocratic style, leaders hold absolute decision-making power. At the same time, employees are hardly involved, while democratically, employees are allowed to participate in the decision-making and express their opinions in business affairs (Kumar, 2018). In the laissez-faire style, the leader's involvement is minimal, and employees have the right to make their own decisions (Lewin et al., 1939). In the present research, Lewin's leadership style model to shed light on control over the decision-making process is employed. The study aims to discover determinants affecting team involvement and their connection to leaders, employees, and organizations' characteristics (Mihai, 2015).

Leadership style can greatly affect company performance, but "what would be the appropriate choice?" The idea that no one-fits-all leadership style is reinforced by many authors. Boykins et al. (2012)

conclude that the perfect leadership style does not exist, and the leader adapts to situational circumstances.

Determinants of Leadership Styles

The prior literature demonstrated that the selection of leadership styles is traced around four attributes: enterprise characteristics, job features, leader characteristics, and employee characteristics.

Enterprise Characteristics

Corporate business activities might significantly affect how leaders direct employees (Burrell et al., 2010). In creative companies, leaders should foster challenge and innovation and encourage followers to express their opinions and freely execute their jobs (Patel, 2018). Besides, the organizational nature is believed to impact leadership styles (Marcinkeviciute & Zukovskis, 2016).

The company's growth phase and size are also determinants of leadership styles. For instance, the autocratic style is recommended in small firms to assist leaders in the direction and supervision of their subordinates. In contrast, the democratic approach may prevail for well-developed and large companies in which employees' seniority and experience help them participate in the decision-making process. The leader strategically adopts the laissez-faire style in a mature company because employees are competent and experienced (Mihai, 2015).

Nojimu (2014) reflects that the democratic style is likely to adopt when specific objectives match organizational goals. As such, employees are uniformly working for the common goal and ultimate corporate purpose.

The mutual trust between employees and leaders is also an important factor because it brings employees to a closer dimension and engages them at work as a team. The effect is bidirectional because trust will increase and circumvent potential misunderstanding (Cohn, 2016). Patel (2018) states that leaders who strongly believe in teamwork are more likely to employ democratic leadership to encourage problem-solving participation.

Furthermore, the leadership style is affected by the company's culture. When the culture of motivated and well-trained employees is nurtured, solidarity is developed, and a laissez-faire style might be adopted. The staff is empowered to freely work well in a team spirit and without the tight control of their supervisors. The role of the leader is rather inspirational than control (Patel, 2018).

Job Features

According to Cohn (2016) and Silingiene (2011), managers can alter their leadership styles based on each specific task. Silingiene (2011) divides the organizational situations into ordinary and critical. While the former allows managers to achieve solutions through negotiation and discussion with subordinates, the latter requires managers to employ stricter management styles. Based on Cohn (2016), the leader may consider using the autocratic leadership style in critical tasks that require quick and prompt completion. The directive method is also effective in the case of a new job where close leaders' supervision is necessary.

The extent of group interaction can influence the leadership style. When employees' cooperation and exchange are required, the democratic leadership style prevails to promote open communication to achieve common goals. Conversely, the autocratic is adopted when the leader solely possesses the expertise and the technical know-how (Nojimu, 2014).

Leader Characteristics

The leaders' personalities are the main factor towards leadership style. Leaders strive to achieve success and feel comfortable at work. For instance, outgoing and assertive leaders prefer direct communication, face-to-face interaction with subordinates, and participating in decision-making (Patel, 2018). Managers' education's effect on leadership styles was investigated by Marcinkeviciute and Zukovskis (2016). They find that highly qualified leaders tend to be more democratic, whereas uncooperative, uncommunicative, incompetent, and unskilled managers are prone to utilizing autocratic management.

According to Avery (2001) and Marcinkeviciute and Zukovskis (2016), managerial position affects leadership styles. To emphasize, the more the autocratic style will interact with workers. Yet, the higher the administrative position, the more the democratic style will be applied to get others involved in strategic discussions.

Managers' early and past experience can also shape leadership styles. Superiors' positive behaviors might inspire followers and set a good example for leaders to follow. They may learn from their superiors how to focus on managerial tasks, organize activities, coordinate with followers, and

behave assertively. Additionally, some managers tend to avoid negative habits of earlier superiors such as blaming employees, humiliating, and holding all the strings (Vesterinen, 2009; Marcinkeviciute & Zukovskis, 2016)

Employee Characteristics

The importance of considering the linkage between leadership styles and employees' personalities was stressed by Leonard (2020). He suggests that personality tests for managers and followers should be employed to understand the corporate mixture.

Cohn (2016) emphasizes that leaders should select the management styles that best suit their employees' experience. When team members are inexperienced and leaders lack a clear understanding of their employees' capabilities, close coaching is needed to facilitate learning. When the team has the ampler experience, the leaders may solicit opinions from subordinates and take a group decision. They should set plans and have a clear vision to work as team members with minimal monitoring and should only consult their leaders in problematic scenarios. Similarly, Pakhare (2011) believes that democratic managers can face difficulties motivating staff with a lower maturity level to perform better. Meanwhile, the autocratic style is inefficient with a team of high maturity levels. Vesterinen (2009) also indicates that leaders are often required to provide more support and advice to new employees while empowering senior employees to accomplish tasks in their way. Nojimu's (2014) study examines leadership styles in Nigerian SMEs and reflects that leaders behave differently when employees participate actively and proactively in the decision-making process.

Research Methodology

Research Design

Drawing on the relevant literature, this study examines the determinants of leadership styles in Vietnamese SMEs. Leadership styles have been considered to be affected by determinants related to enterprises characteristics (Burrell et al., 2010; Nojimu, 2014; Mihai, 2015; Cohn, 2016; Patel, 2018), job features (Nojimu, 2014; Cohn, 2016; Silingiene, 2011), leader traits (Avery, 2001; Vesterinen, 2009; Marcinkeviciute & Zukovskis, 2016; Patel, 2018), and employee characteristics (Vesterinen, 2009; Pakhare, 2011; Nojimu, 2014; Cohn, 2016; Leonard, 2020). In this study, the perceptions of Vietnamese SME managers about such determinants are investigated. Subsequently,

implications for the appropriate adoption of leadership styles are provided. The research findings may serve as a reference for Vietnamese SMEs' managers to align their leadership behaviors with ideal models. They might also support agencies and training institutions to consult SMEs for operational and development purposes. This study seeks to answer the following research question: "*What are the perceptions of managers about the determinants of leadership styles in Vietnamese SMEs?*"

Data Collection

The qualitative interview technique to discover leaders' perceptions is employed. Interviews to study determinants of leadership styles in Vietnamese SMEs and gain a deeper understanding are conducted. The interviews allow SMEs' managers to genuinely express their ideas and share leadership experiences. Both ways will develop our qualitative analysis in breadth and depth (Saunders et al., 2012; Bryman & Bell, 2011).

Individual interviews with 51 SME managers, 40 male (78.43%) and 11 female (18.5%) are conducted. Interviewees work for various business industries such as construction, vocational education, nutritional food, and real estate. To choose the sample of participants, the researchers first rely on our network and then follow the references of previously interviewed SMEs' managers. A brief description of the participants is included in appendix-A at the end. Interviews are conducted in the SMEs premises. The researchers record the interviews using electronic recorders, and each discussion lasts approximately 45 to 60 minutes.

Furthermore, the interview protocol is designed based on principal components such as instructions to the interviewer, themes, essential questions, and probes to follow key questions (Creswell, 2014). A list of questions is developed to investigate SMEs managers' perceptions such as "What are the impacts of enterprises' characteristics and specific tasks on leadership styles?", "What are the impacts of leaders' qualities on leadership styles?", "What are the impacts of employees' qualities on leadership styles?", "What are the impacts of environmental factors on leadership styles?". In addition, SME managers can share their experiences and provide tangible and realistic examples of their leadership styles.

This study (project numbered CS16-31) was approved by the Science Committee of Thuongmai University, Hanoi, Vietnam (Decree number

363/QD-DHTM). The ethical clearance has been obtained and described in the decree.

Data Analysis

The step-by-step qualitative analysis was used following Creswell (2014) to systemize the data. Thus, the researchers organize the data, conduct a preliminary read-through of the databases, code and segregate themes, and organize the data in a specific format to ease our interpretation. The qualitative QSR supporting software Nvivo 11 was employed to perform content analysis and extract the main themes and sub-themes as the "code" of the software. Results were presented descriptively based on the main topics, sub-topics, examples, and multi-dimensional feedback from the interviewees. In addition, the researchers kept the authentic style of responses to reflect spontaneous answers and reported interviewees' comments and feedback. Our objective is to increase the persuasiveness of our qualitative analysis and pinpoint it with the initial research question to uncover determinants of leadership styles in Vietnamese SMEs.

Qualitative Findings

The following section reveals the perceptions of Vietnamese SME managers in this study towards the appropriate selection of leadership styles and related determinants such as the characteristics of enterprises, tasks, leaders, and followers.

Enterprise Characteristics

Business Sectors

First, the study starts by synthesizing interviewees' feedback on the influence of enterprise characteristics on the choice of leadership style. Vietnamese SMEs managers emphasize the impact of SMEs' main operating activities. Business sectors require various levels of creativity, innovation, and accuracy, which will affect the choice of leadership styles. For instance, a manager provides the following example: *"If a private company operates in business sectors that specialize in creating and providing ideas and solutions, the leader should be creative, using democratic or laissez-faire style rather than the autocratic one."* (M.18). Another SME manager shares the same view by stating: *"Companies operating in creative business sectors should foster the comfort and challenging environment for employees, contrary to the business areas requiring certainty, where the process needs a more rigid style used to ensure results'*

achievements." (M.42)

Development Phases and Sizes of Enterprises

Moreover, Vietnamese SME managers highlight the impact of the business developmental phases on the appropriate adoption of leadership styles. The firm growth affects the level of empowerment, autonomy highly, and responsibilities, presumably to channel the leadership style selection. To emphasize, an SME manager provides the following detailed explanation:

> *"The company's developmental phases might be divided into various stages of formation, stability, and growth. After the formation and stability stages, the leaders should create an atmosphere of self-reliance to reduce tension and foster cohesion among members, especially among the enterprises' leaders. The self-control and empowerment of the company's employees would reasonably lead to the democracy and laissez-faire choice."* (M.02)

From another perspective, the firm size is believed to influence the leadership styles' choice significantly. In small companies, the managers may utilize the autocratic leadership style to direct their subordinates. In contrast, it will become hard and impractical to cover and control large companies. In the latter case, managers must be more democratic to empower and focus on the key activities. One manager emphasized: *"The greater the size of enterprises is; the more flexible the leadership style should be to accommodate for the growth in employees hiring and related departments."* (M.42)

Company Interrelationships and Ties

Company interrelationships and ties are perceived to be affected by the degree of leaders' empowerment and intervention level. This will undoubtedly impact the leadership style as evidenced by one SME leader: *"In choosing suitable leadership styles, leaders need to consider the employer-employees and employee-employee relationships. This reflects the company internal environment that should be or mutual trust or disregard"* (M.19)

Moreover, the employee's relationship scheme reflects teams' activeness and autonomy, requiring various leadership styles. An SME explains:

"When choosing the suitable leadership styles, we should consider the relationship among employees to see if they are united or have conflicts. When the working environment is described with solidarity and trust, employees enjoy working and modulate routine activities into exciting and challenging tasks. Accordingly, leaders are not required to provide too much guidance or interference, and might follow the democratic or even laissez-faire model." (M.19)

Job Features

Vietnamese SME managers are also concerned about the implication of job features on leadership styles. One SME manager explains:

"An effective leader should apply leadership styles based on job features and in a flexible manner. First, the leader should account for the time allotted to the whole process, including the decision-making, design, execution, and control. Second, he should be aware of his employees' capabilities and masteries. He should have full access to the company's database and necessary information to grasp the complete organizational workflow fully. Third, the technical skills required from the leader and employees to complete the specific job should also be well-identified. Fourth, he should be aware of the pressure level of the job and the complexity of the tasks." (M.19)

Leader Characteristics

Leaders' Personalities

From another perspective, Vietnamese SME leaders emphasize that the leader's inherent characteristics greatly influence the choice of leadership styles. An SME manager distinguishes that: *"Leadership style is highly attributed to the types of personalities and to leaders' ability and resiliency to adapt and adjust under extreme circumstances. Gentle and calm managers behave in a completely different way than hot-tempered ones."* (M.24).

Furthermore, leaders' personalities are impregnated by their behaviors and reactions, affecting communication and attitude styles with their subordinates. An SME manager links leaders' personalities to various types:

"The leader who is confident, decisive, determined, and highly responsible is prone to choose the autocratic leadership style. However, this kind of leader is often difficult and patriarchal. By contrast, the leader who is willing to listen to employees' opinion, respect, and promote employees' creativity tends towards democracy." (M.46).

Another SME manager emphasizes: *"The leader who prefers freedom and comfort tends to select laissez-faire style."* (M.18)

Additionally, SME managers strongly stress the professionalism and ethics of influential leaders. One SME manager states: *"The leaders should behave and perform professionally and ethically, and then, transmit their leadership spirits to their followers. Especially, they should be kind and warm-hearted"* (M.34)

Managerial Capacity and Level

Vietnamese SME managers emphasize management capacity as an essential factor influencing their leadership styles. In particular, the management capacity relates to determinants such as the leaders' abilities to understand and master the job, management experience, training, and working history. One SME manager relates management capacity to the behaviors and performance of leaders: *"The leader's management capacity influences the way he sets goals, develops strategies, selects the suitable leadership style to construct his prestige."* (M.46)

Besides, SME managers also share their managerial expertise *"The managerial level such as top, the middle or first-line level might greatly influence managers' attitudes, behaviors, and communication with followers. This will certainly affect leadership styles"* (M.46).

Emotional Intelligence

Another important factor related to the leaders' characteristics is Emotional Intelligence validated through leaders' abilities to identify, understand, and successfully manage their subordinate's emotions and theirs. In this context, leadership skills such as listening, motivation, and networking are believed to be affected by Emotional Intelligence and are closely linked to leadership styles. One SME leader says: *"One key factor influencing the choice of leadership style is the Emotional Intelligence of the leader.*

Particularly, the Emotional Intelligence impacts leaders' creativity, ethical behaviors, and the body language to deal and instruct subordinates." (M.32)

Past Jobs and Earlier Superiors

As shared by Vietnamese SME managers, prior experience, managerial failures, and lessons learned increase leaders' awareness to adapt to externalities and adjust methods. In the same vein, selecting the appropriate leadership style succumbs to responsibility to ensure managerial and operational efficiencies. One SME manager describes:

"Many lessons can be extracted from past jobs regarding leadership. When you fail in a particular job, in a certain situation, you may realize that you need to change your leadership behaviors to become a smarter and more effective leader. For example, in the case of autocratic style, when the working environment turns to be stressful, employees' performance will be reduced, and the shift towards another managerial behavior becomes essential." (M.23)

Interviewed SME managers also highlighted the impact of earlier superiors on their leadership styles. One SME leader shares his views: *"Many positive personalities and capacities that I have earned are drawn from continuously working and learning from earlier superiors, especially successful leaders and talented bosses. They shaped my leadership styles."* (M.23)

Employee Characteristics
Employee Personalities and Age

From the viewpoints of Vietnamese SME managers, characteristics such as personalities and ages of employees are the determinants needed to be taken into account. They emphasize that determinants are strongly important in the SME context, where the employer-employee relationship is often personal and direct. One SME manager stresses: *"Choosing the proper leadership style is shaped through employees' personalities and ages such as whether they are easy-going or not, they are old ones or new and young ones who need a lot of intensive supervision."* (M.38)

Employee Competencies and Working Experience

According to interviewed SME managers, employee competencies and experience manifest in determining leadership styles. In this sense, key determinants are employees' competencies, working knowledge, responsibilities, and abilities in developing networks and co-operating with other staff and managers. One SME leader links employee working experience to various leadership styles:

"The autocratic leadership style should be often applied to new employees. At that time, the leader becomes a competent and enthusiastic instructor, and new employees are motivated to learn more skills and develop their competencies. The democratic leadership style should be applied to a team with experienced staff. Employees know their jobs and know themselves as part of the team. Laissez-faire style should only be used in cases where the leader owns better-qualified employees. The leader cannot cover everything, and employees should have full rights and responsibilities to make their own decisions." (M.46)

Employees' Attitudes

In this context, Vietnamese SME managers should understand the impact of employees' attitudes on their behaviors, as emphasized by one leader: *"The attitudes of the majority of employees toward my decisions and managerial behaviors push me to seek the appropriate working environment."* (M.03)

Other Environmental Factors

Additionally, other environmental factors might influence the leadership styles. Such elements might be connected to the macro, micro, internal environment, particularly business environment adversities.

Macro Factors

Macro-environment factors such as socio-cultural and economic conditions are connected with the business location and geographical surroundings. Such factors are influential in deciding the appropriate leadership model. One SME manager answers: *"Leadership styles of the managers operating a business in cities would be different from those operating in the urban areas as the socio-economic conditions affect the lifestyle of both the employer and employee and thus, their working environment."* (M.02)

In particular, SME managers mention the recent changes in the business environment, particularly the integration of Vietnam on the global markets and the impact on leadership styles. For example, Vietnamese managers' personalities are amalgamated by the interaction with foreign partners or expatriates in multinational enterprises. One manager emphasizes:

> *"For leaders who regularly work with foreign partners, especially who used to live, work or study overseas, they tend to follow westernized working methods and participative styles. They respect individuals and encourage personal development. They focus more on performance rather than control."* (M.09)

Micro Factors

Determinants related to the corporate micro-environment, such as markets, customers, and suppliers, can also influence leadership styles. One SME leader explains:

> *"For difficult markets, with demanding customers, all the products and services provided should be a high standard. Both the leader and the staff should be professional and responsible for providing qualified products as committed, but still in harmonized serving attitude."* (M.07)

Internal Factors

Internal environmental factors such as corporate financial and technological capacities also affect leadership styles. One SME leader states:

> *"In a productive environment with adequate resources; the leader is more capable of performing effective behaviors and actions to enhance the organizational performance. For example, the leader finds it easier to assign tasks and work with followers with modern management technology. Therefore, teams and individuals may have more autonomy and better self-control, which will lead to the democratic climate."* (M.30)

Flexible Adoption of Leadership Styles

Furthermore, there should be certain flexibility in choosing leadership styles. One SME manager stresses: *"A successful leader must be someone who has leadership behaviors suitable to situations. In other words, he or she must be flexible to use appropriate leadership style for better success."* (M.22)

Leaders perceive that the choice of the appropriate leadership style is an artwork whereby they act as an artist and have the flexibility to combine various determinants, as shared by one leader:

> *"To have a suitable leadership style, I think it is necessary to know how to combine artfully to develop a style that not only reflects my lifestyle but also assists me to earn subordinates trust and cultivate an effective working environment."* (M.23)

The figure 1 summarizes the perceptions of Vietnamese SMEs' managers regarding determinants of leadership styles.

Discussion

Vietnamese SME managers stress the impact of enterprise characteristics such as business sectors, organizational development phases, and firm size on the choice of leadership styles (Burrell et al., 2010; Mihai, 2015; Marcinkeviciute & Zukovskis, 2016; Patel, 2018). Determinants related to employer-employee and employer-employee relationships are also influential factors as they inspire trust or disregard, which impact leaders' behaviors toward achieving organizational objectives (Nojimu, 2014; Cohn, 2016; Patel, 2018). Vietnamese SME managers further pinpoint the importance of leaders' awareness in alleviating employees' conflict and fostering solidarity. This implicates the ability to adapt managerial actions and behaviors to develop a productive working environment in any case scenario.

Jobs features are also implicative determinant of leadership styles. Such features encompass the appropriate time allotted to make decisions, complete tasks, master abilities technical skills, and tolerate business complexity and pressure (Silingiene, 2011; Nojimu, 2014; Cohn, 2016).

Determinants related to leader characteristics such as their personalities and qualities are strongly confirmed as influential leadership styles (Patel, 2018). Mangers emphasize the positive impact of leaders' professional and ethical behaviors on managerial effectiveness. Managers' abilities and experiences are also essential determinants and word and education backgrounds (Marcinkeviciute & Zukovskis, 2016). Specifically, Emotional

Figure 1

Determinants of Leadership Styles in SMEs Perceived by Vietnamese SME Managers
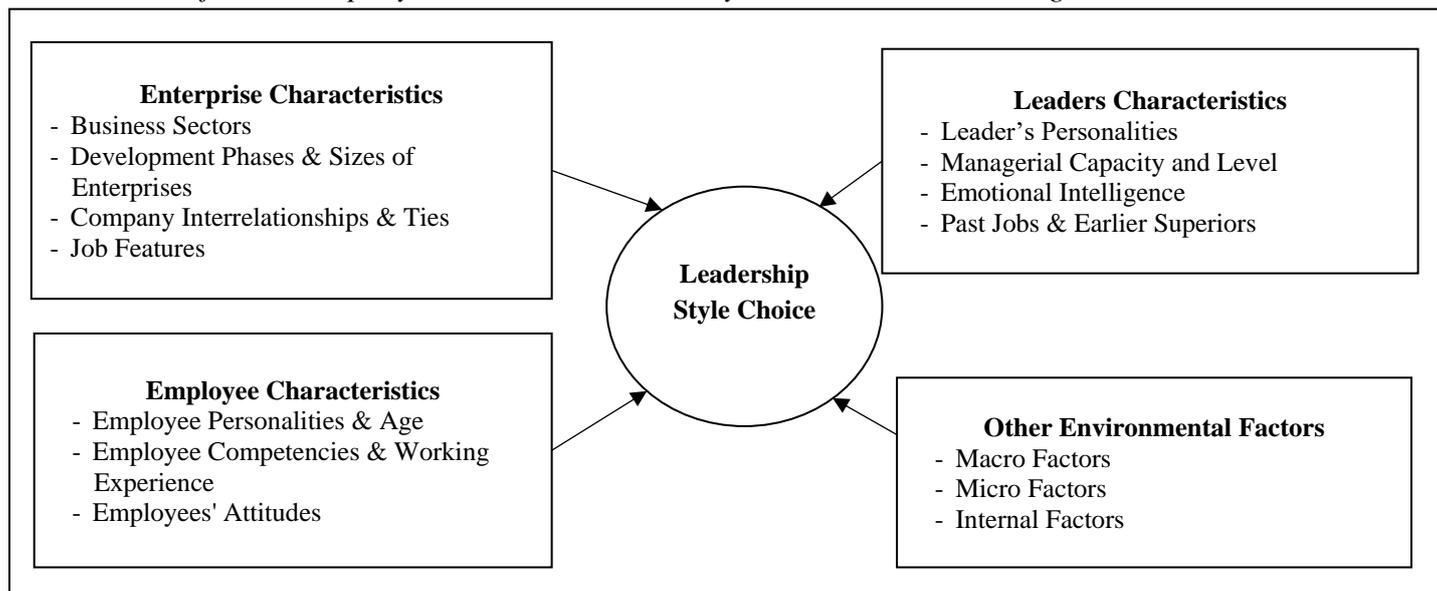
Intelligence interacts with the choice and effectiveness of leadership styles. The management levels such as first-line, middle, or top management can also impact such choice (Avery, 2001; Marcinkeviciute & Zukovskis, 2016). Furthermore, past jobs and earlier superiors can greatly shape leaders' personalities and behaviors (Vesterinen, 2009; Marcinkeviciute & Zukovskis, 2016). Prior experience, managerial failures, earlier superiors' personalities, and learned lessons also shape leadership styles.

From another perspective, employees' personalities channel the appropriate leadership styles (Cohn, 2016; Leonard, 2020). The magnitude of employees' characteristics might significantly affect leadership' styles such as employees' age and working experience account (Vesterinen, 2009; Pakhare, 2011; Cohn, 2016), employee competencies, respective responsibilities, and attitudes (Nojimu, 2014).

Additionally, endogenous and exogenous environmental factors greatly impact the said subject. The international integration of Vietnam is a crucial factor. Rowley and Quang (2009) highlight the effect of multinational enterprises on human resources management practices and the influence of westernized styles.

SMEs' characteristics are intertwined with the Vietnamese culture and can also affect leadership styles. In this context, owners act as manager-leader (Birley et al., 1999), and they address their employees in personal and direct ways (Yukl, 1998). Hence, leadership styles are greatly influenced by the subordinates' interaction level and solidarity

spirit. When leaders intervene and guide employees in the main operating activities (Erez & Rim, 1982), they pinpoint the preponderance of employee competencies and specific characteristics. In SMEs, as the managers-owners are prone to secure their ownership control (Wang & Poutziouris, 2010), employees' attitudes and behaviors are also determinants of leadership styles.

Furthermore, as Vietnamese organizations have a hierarchical structure, leaders' traits like status and age help them achieve distinct positions (Xinzhong, 2000). Also, cordial organizational relationships attract leaders' consideration (Dorfman et al., 2004), and harmonious relationships avoid conflicts and appropriately assign job tasks (Tuang & Stringer, 2008). Vietnamese leaders tend to become benevolent with friendliness, harmony, and forgiveness (Chen, 2004) and earn followers' trust by their compassion (Truong & Rowley, 2013). Therefore, the interactive employer-employee relationships, emotional intelligence, leaders' ethics, and professionalism tailor leadership ability and resiliency to adapt and react in any case scenario. However, as in countries affected by Confucian values, the high power distance characterized by followers' respect and obedience to leaders, authoritarian and command-style are commonly observed in Vietnam (Truong & Rowley, 2013). Accordingly, Vietnamese SME managers should be flexible to accommodate the existing culture and surrounding environment.

As such, this paper is among the first to empirically investigate determinants of leadership styles in the context of SMEs and in the cultural

context of Vietnam. In this way, this study is expected to contribute to the development of behavioral science knowledge.

Implications

In this qualitative study, interviews to thoroughly explore the perceptions of Vietnamese SMEs' managers about determinants of leadership styles are performed. The paper has both practical contributions in enhancing enterprises' leadership behaviors and effectiveness and theoretical contributions in examining leadership styles in developing countries such as Vietnam.

Theoretical Implications

The study contributes to the extent of the existing literature and theories on leadership behaviors by providing clear evidence about the determinants of leadership styles. Findings provide empirical support that there is no perfect leadership style, and leaders should account for concurrent situations related to enterprises (Burrell et al., 2010; Nojimu, 2014; Mihai, 2015; Cohn, 2016; Patel, 2018), jobs (Nojimu, 2014; Cohn, 2016; Silingiene, 2011), leaders (Avery, 2001; Vesterinen, 2009; Marcinkeviciute & Zukovskis, 2016; Patel, 2018), and employees (Vesterinen, 2009; Pakhare, 2011; Nojimu, 2014; Cohn, 2016; Leonard, 2020). This study further emphasizes the influence of some determinants that have not been widely discussed in previous studies, such as enterprises' solidarity, leaders' emotional intelligence, employees' age, and working attitude. It also emphasizes the impact of other endogenous and exogenous environmental factors: macro, micro, and internal ones that best describe SME context and Vietnamese culture.

Practical Implications

SMEs managers might consider the impact of enterprises, job features, leaders, and employees' characteristics on the choice of leadership styles. The qualitative research findings and in-depth investigation provide a valuable framework of managers' perceptions.

Initially, leaders choose autocratic leadership styles in the start-up phase and democratic style in the stable business phase. Moreover, the autocratic style is likely to be used in the technology sector, while the democratic and laissez-faire style can be used in innovative and creative fields. About job features, in specific jobs that require precise and timely actions, the autocratic style could be one good

choice. In instances that require employees' collective participation in a multi-dimensional view, the democratic style can be considered. The autocratic style seems effective when qualified leaders employ it with adequate technical skills. The democratic style may benefit leaders who do not have much knowledge about a particular field. From other employees' qualitative dimensions, the autocratic style may be applied to new or reluctant employees, while the democratic style can be used with qualified employees. The laissez-faire style might be used with trustworthy, autonomous, and independent employees.

The context of Vietnam and the firm size somewhat affect the choice of leadership styles. The autocratic leadership style is a suitable option for SME managers as it fits Vietnam cultural characteristics such as high power-distance and respect for authority, and hierarchical order. However, leaders must maintain a harmonious and personal relationship and foster solidarity and teamwork spirits. This pushes SME managers to adjust their leadership styles. In other words, a balance between the autocratic and democratic styles should be considered to encourage employees' contribution to business growth and development.

Finally, managers should understand that one leadership style is not supposed to bring the best effect for the business. Each leadership style suits a particular group of employees or specific task, and it is not compulsory to use the same leadership style in all situations.

Limitations and Further Research

The study has some limitations. It investigates determinants of leadership styles in the context of Vietnamese SMEs. Further studies may develop this research by examining larger enterprises and other emerging countries. Additionally, we recommend applying a mix of qualitative and quantitative approaches to investigate such a topic. The in-depth investigation on Vietnamese SME managers' perceptions might serve to develop a comprehensive managerial that embraces the context of Vietnamese culture and SMEs.

Conclusion

The paper has been discussed the influences of determinants related to characteristics of enterprises, specific tasks, qualities of leaders and employees as well as environmental factors to leadership styles. It is expected to make both theoretical contributions to

behavioral science and practical contributions to SMEs and supporting agencies.

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Appendix A: Details of Participants

Code	Gender	Position	Business fields
M.01	Male	Director	Construction consultancies
M.02	Male	Director	Medical equipment
M.03	Male	Director	Construction
M.04	Female	Sales Head	Communication services
M.05	Male	Deputy Director	Real estate
M.06	Male	Deputy Director	Warehouse, transportation - freight forwarding services
M.07	Male	Director	Software, web design, computer programming services
M.08	Male	Deputy Director	Construction material production
M.09	Male	Director	Security consultancies
M.10	Male	Director	Air-conditioning production and distribution
M.11	Male	Sales Head	Food wholesales
M.12	Male	Director	Mining
M.13	Male	Director	Machine and equipment wholesales
M.14	Male	Chair	Architecture and technical consultancies
M.15	Male	Director	Industrial equipment distribution
M.16	Female	Sales Head	Nutritional foods
M.17	Male	Director	Agricultural production
M.18	Female	Deputy Director	Machine manufacturing
M.19	Male	Deputy Director	Construction equipment supplies
M.20	Male	Director	Equipment wholesales
M.21	Male	Deputy Director	Fresh concrete supplies
M.22	Female	Director	Cement and plaster production
M.23	Female	Deputy Director	Education
M.24	Male	Director	Metal product manufacturing
M.25	Male	Deputy Director	Automobile dealer
M.26	Male	Sales Head	Digital television services
M.27	Male	Sales Head	Paint production
M.28	Male	Director	Plastic production
M.29	Male	Deputy Director	Civil engineering construction
M.30	Male	Director	Commerce
M.31	Female	Director	Shoe supplies
M.32	Male	Director	Homestay services
M.33	Female	Sales Head	Education
M.34	Female	Deputy Director	Paper packaging
M.35	Male	Director	Urban investment and development
M.36	Female	Director	Paper manufacturing
M.37	Male	Director	Website design and promotion services
M.38	Female	Director	English education
M.39	Male	HR Director	Education
M.40	Female	Sales Head	Computers and software wholesales
M.41	Male	Director	Mobile marketing
M.42	Male	Deputy Director	Human resources development
M.43	Male	Director	Organic food supplies
M.44	Male	Director	Package manufacturing, importing and exporting
M.45	Male	Sales Head	Transport services
M.46	Male	Director	Wood and bamboo production
M.47	Male	Director	Architecture consultancies
M.48	Male	Director	Computers equipment and component production
M.49	Male	Director	Food wholesales
M.50	Male	Director	Plastic molds and rolling door production
M.51	Male	Director	Website design and advertising