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Does Understanding and Knowledge of Taoist Philosophy Influences Corporate Leadership? A Qualitative Evidence from Malaysia

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ABSTRACT

Background: The focus of this study is on the influence of Taoist philosophy on Chinese corporate leaders and leadership in Malaysia. A practical and theoretical understanding of the influence of Taoist philosophy on Chinese corporate leadership will not only contribute to the body of knowledge of leadership studies, but also provide a different perspective on the understanding of the intricacies and complexities of Chinese corporate leadership. **Objective:** Hence, two interdependent areas of interests, that is, the practice and theory in the study corporate leadership, within the framework of an understanding of leadership behavior actions, involving knowledge and understanding of Taoist philosophy, including values, ethics, morals and a review of leadership assumptions, within the context of Chinese corporate leaders in Malaysia, consciously or unconsciously applying their knowledge and understanding of Taoist philosophy to execute vision and implement change in their organizations to be examined. The qualitative design employed to answer the research questions is organized into four sections: (a) Sampling-selection of respondents, (b) instrumentation, (c) data collection, and (d) data analysis. **Results:** In this study, the findings indicated that the evaluated understanding of Taoist Philosophy on aspects of leadership is of paramount importance in achieving people harmony and organisational performance. It is noted that the respondent emphasizes the interrelatedness and relativity of everything in the world in the form of 'ying' and 'yang'. Such holistic thinking is applied and evidenced and reflected clearly by the respondent's vision and mission statements has also greatly contributed towards wisdom that derived from knowledge and understanding of Taoist philosophy in this study. **Conclusion:** Taoist philosophy is thus an inexhaustible source of values and wisdom for good leadership practice, and has succeeded in finding a place in the world of Malaysian Chinese corporate leadership. The magnitude of Taoist philosophy lies in its rich practical values as virtues witnessed in corporate leadership in Malaysia.

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INTRODUCTION

The importance of leaders and leadership in the transformation of organizations cannot be denied. Scholarly research and studies, news papers and other popular reading materials on leaders and leadership and organizational transformation is one area most researched, but at the same time is most confusing to the extent that many are confused about leaders and managers (Bass 1985; Chemers 1997; Gill 2011; Hersey and Blanchard 1982; Pedler *et al.* 2004; Pettigrew *et al.* 1992; Stogdill 1974 and Yulk 2010) Hence the contribution of these studies to organizational transformation is in doubt.

There are many approaches in the studies of leaders and leadership but the conclusions are not conclusive (Gill 2011; Yulk 2010; Stogdill 1974; Chemers 1997; Bass 1985, Stogdill (1974), Chermers (1997), Guillen (2010), Whittington *et al.* (2005), Timothy *et al.* (2004) and Furnham (2010) focused on trait theories whereas Likert (1961), Dixon (1985), Blake and Mouton (1982), Chomsky (1999), Moller (1994), Timmothy *et al.* (2004) and Hoel (2009) studied the relationship between leadership behavior and leadership effectiveness. Similarly, Wright (2000), Bryman (1992), Hodgson and White (2001), Ciulla (2004) and Goffee and Jones (2000) conducted

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research on the relationship between situational factors and leadership effectiveness, while Bass (1990), Randell (2008), Bass and Avolio (1994), Popper and Maysel (2003) and John and Beverly (2007) explored transactional and transformational leadership. There were other emerging theories of leadership such as shared and distributed leadership by Cox *et al.* (2003), Locke *et al.* (2000), Day *et al.* (2004) and Ilgen *et al.* (2005), relational leadership and complexity leadership by Uhl-Bien (2006) and Reicher *et al.* (2005). Thus, there are various approaches to leadership and the more popular ones are traits, contingency, and situational approaches and other variant with such names like distributive, inclusive, servant and others.

In South East Asia, particularly in Malaysia, as a developing nation, most of the the studies were focused on the Chinese business community and organisations which were based on western theories and models, such as the studies by Balasubramaniam (2006), Cheong (1992), Chin (2003), Gomez (1999), Hara (1991), Heng (1992), Jesudason (1989), Jomo (2005), Lee (2000), Lim (1981), Yeung (1999), Yong (1987) and Yoshihara (1988) . There is a lack of scholarly in-depth research on and inquiry of Chinese business leadership practices with a display of wisdom based on the knowledge and understanding of Chinese traditional values, thoughts, morals, traditions and philosophy, particularly, the Taoist philosophy, apart from the research on overall Chinese business community mentioned above.

Given the mutable pallet of leadership research, and particularly the rationale of the economic and business links between mainland China and overseas Chinese, there is indeed a strong need to study the knowledge and understanding of eastern values, ethics, morals, and philosophy encoded in the Taoist philosophy and displayed in eastern leadership. This could expand and contribute to a richer and deeper understanding or application of oriental values, ethics, morals and philosophy that influence leadership behavior.

The lived experiences of eminent Malaysian Chinese corporate leaders, their knowledge and understanding of Chinese philosophy thoughts, values, ethics, has not been the focus of serious academic study even though it has been variously published in business magazines and newspapers. This experience in leadership is valuable. Virtually every leader achieved success by building on earlier experiences, learn from these experiences, by analyzing them to help solve future problems and meet future challenges. In this vein, a leader's beliefs in, knowledge and understanding of eastern philosophy, ethics, morals, good or bad, right or wrong, etc. are behind the decision they made, embedded in the actions they take and displayed in their leadership. This aspect has not been given the emphasis deserved, or leadership studies have been taking this for granted. Thus, the known and unknown phenomenon would be addressed accordingly. This topic is of interest to the field of study is because it would contribute to the understanding of effective leadership based on wisdom to act, a more practical and particularistic approach towards leadership research compared to the autocratic, democratic, transactional and transformational probabilistic approach of research. Almost no studies were found in the past done in this area focusing on theoretical, social and practical concerns.

There is a large number of Malaysian Chinese corporate leaders who started their business from a very small family concern to become multi-billion business enterprise. Success stories of personalities such as Robert Kuok, Lim Goh Tong, Lok Boon Siew, William Cheng, Vincent Tan, Lee Shen Jin, Yeoh Tiong Lay (YTL), Teoh Hong Piow, Quek Leng Chan, and many others are commonly splashed across pages in local newspapers, business magazines. Their business acumen, diligence, determination, beliefs, philosophy, and etc have become the hallmark of their many successes. The strong oriental character in general and Chinese character in particular in the conduct of their business is a reflection of deeply entrenched or embedded Chinese philosophy, and the ability to act as a result of their knowledge and understanding of the Chinese values, morals, philosophies, strategies, and traditions (Yeung 2006; Xi 2011; Warner 2008). As a departure to the normal approaches to leadership as mentioned above, it is believed that there is a strong need to study leader and leadership in a new light, not being unnecessarily being confined and restricted theoretically, a qualitative research approach should be chosen to explore and examine the potentials of values, traditions, beliefs, morals and philosophies and in facilitating leaders in the transforming their businesses. The research on leadership is found laced with paradox. Individuals who possess all of the important qualities and characteristics of effective leaders do not necessarily succeed. An individual who is a successful leader in one situation or context may fail in another situation even though the same leader employs the same skill, capacity or style. This observation brings up the doubt of whether leaders are born or trained. The current paradoxes of leadership are many thus making the study of leaders and leadership all the more relevant and challenging. Research on leadership theories, methodology, ideas, measurement and even definitions has been dominated by leadership scholars in the West (Yukl 2010; Mintzberg 1976; Bass 1985; Strong 1984; Bryman 2004; Wofford 1999; Bliese *et al.* 2002; Dansereau *et al.* 1975; Lowe and Kroeck 1996; Brown and Gioia 2002). There were almost none that based on oriental values and philosophy that lead to construction of Eastern model of leadership transformation of the organizations.

The basic purpose of the study is to examine how knowledge and understanding of one of the Chinese traditional philosophies, Taoist philosophy influences corporate leaders and leadership in Malaysia. It is primarily a qualitative research, embodying within its framework the inductive comparative paradigm. The approach provides an in-depth investigation of the influence of Taoist philosophy in the building of effective leadership practices.

Objectives of the study encompassing two main objectives, the study attempts to:

- (1) Examine what is the Malaysian Chinese corporate leader's responses of knowledge and understanding for Taoist philosophy.
- (2) Explain how Taoist philosophy influences Malaysian Chinese corporate leader's leadership.

Specifically, the study attempts to provide answer to the following research questions:

- RQ#1. What is the respondent's responses of knowledge and understanding for Taoist philosophy?
 RQ#2 In what way does Taoist philosophy influences leadership of the respondent?

Significance of the Study:

This study aims to providing the exploratory insight how Taoist philosophy influences Malaysian Chinese corporate leadership. It is designed to guide the larger scale of research of future studies in this related area. It provides the first comprehensive account of the understanding of how Taoist philosophy influences corporate leaders and leadership in general and Chinese corporate leaders in Malaysia in particular. It fills a significant knowledge gap about the Malaysian Chinese leaders and leadership by exploring and examining important facets of Malaysian Chinese leaders and leadership. It examines the respondent's responses of knowledge and understanding of Taoist philosophy. To date, empirical evidences have indicated that Chinese traditional philosophy is perceived as the most important factor in contributing and shaping Chinese business leadership practices around the world (Cheng 2011; Liu 2009). However, the crucial influence of Chinese traditional philosophy, particularly Taoist philosophy values on practices of corporate leadership has yet to be investigated carefully in the Malaysian context. It is partly for this reason that the study was conducted to fill this research gap. It is hope that the research findings would be able to throw light on the influence of moral, ethics and Taoist philosophy on practices of corporate leadership in Malaysian corporate sector and understanding for Taoist philosophy.

Literature Review:

Taoist Philosophy Philosophical Probing:

The school of Taoist Philosophy espoused by Lao Zi focused on more on metaphysical understanding of human nature. Taoist Philosophy concerned about how things happen and how things *work*. 'Tao' or the way, is the principle that underlies all things and creation.

Lao Zi was the founder of Taoist Philosophy and *Lao Zi* or *Tao De Jing* and it is one of the most revered book of wisdom of Chinese cultural classics. Lao Zi is believed to have lived in the 5th century B.C. and his book, *Tao De Jing*, consists of two parts containing about 5000 words. The two parts of the book comprises eighty one chapters.

Tao De Jing focused on the study of *Tao* (the way) and discuss how things happens or how things work. The way is the principle that underlies all creation (de Bary *et al.* 1960). The underlying principle, the Way or Tao which is the source of all being and governor of all life, human and nature, and the basic, undivided unity in which all the contradictions and distinctions of existence are ultimately resolved (de Bary *et al.* 1960).

Mei (1967) explains that *tao* transcends time and space and causality and knowledge and is beyond good and evil, truth and falsehood, life and death. Tao is the prime mover and underlies man, God and the universe.

The central idea of tao is in being natural, or following the course of nature. Taoist Philosophy's *wu wei* means doing nothing or non interference. As tao is the principle of all things, tao does not struggle and lets things unfold by themselves. But *wu wei* does not suggest complete inactivity. It is the natural way of behaviour that allows things to unfold based on their natural order (de Bary *et al.* 1960). According to Liu (1997); Pan and Yu (2001) and Cheung (1989), the application of Tao in leadership should institute the inaction or doing nothing that deviates from the natural course that can be considered to be the most effective course. This principle suggested that the inactive, non coersive leadership can gain effective support from the followers naturally.

The research of Taoist Philosophy has attracted attention among scholars from the globe particularly on the impacts of Taoist Philosophy on managerial activities. The following relates Taoist Philosophy to leadership behavioural characteristics.

The Principle of Opposites:

According to Taoist Philosophy, all matters in the Universe posses material forces which comprises both the *ying* and *yang* properties. The *ying* and *yang* are opposite forces. The fluid, soft and feminine force is the *ying* property whereas the hard, rigid and masculine force is the *yang* force. The origin of the concept of *ying* and *yang* comes from the concept of oneness. Originally, there was but one force which then became two-the *ying* and the *yang*. When the two are combined, myriad things are created. Although both forces function differently, the two are mutually dependent.

This dichotomous perspective in studying nature is also observed in managerial and leadership studies. In management principles, Western management styles focuses the rights and responsibilities (the *yang* component)

whereas the Oriental styles rely more on relationship and values (the *ying* component) (Chen 2002). In reality, both are equally critical for organizational performances.

According to Chen (2002), Western management styles consider courage, charisma, out spokenness and risk taking as some of the good qualities of an effective leadership (the *yang* component). On the other hand, Oriental management styles highlight qualities such as wisdom, patience, tolerance and perseverance (the *ying* component).

Based on Taoist Philosophy, the concept of opposites exists only in our mind. The way we perceive the surroundings will naturally give rise to the opposite. Opposites coexists in unity. Taoist Philosophy said:

“The whole world recognizes the beautiful as the beautiful, yet this is only the ugly; the whole world recognizes the good as the good, yet this is only the bad. Thus something and nothing produce each other; The long the short offset each other; The high and the low incline towards each other; Note and sound harmonize with each other; Before and after follow each other; Therefore the sage keeps to the deed that consists in taking no action and practices the teaching that uses no words.

Quoted in Lau Zi: Tao De Jing (Lau 1963)

Thus, by knowing how opposites work, the wise leader chooses the middle path and practices moderation (Chen 2002).

The Principle of Fluidity:

According to Taoist Philosophy, the properties of water (the *ying*) can be related to the qualities of an effective leader. Natural law is neutral in judgment just like water refreshes all things in nature without discrimination. Water is responsive to its surroundings and freely follows nature’s laws. Taoist Philosophy said:

“*Highest good is like water. Because water excels in benefiting the myriad creatures without contending with them and settles where none would like to be, it comes close to the Way. In a home it is the site that matters; In quality of mind it is depth that matters; In speech it is good faith that matters; In government it is order that matters; In affairs it is ability that matters; In action it is timeliness that matters.*” Quoted in Lau Zi: Tao De Jing (Lau 1963)

The transparent nature water is also relevant to effective leadership. A wise leader does not unnecessarily interfere in his group’s work but rather believe in playing the role of facilitator (Heider 1994).

Principle of Paradox:

There are no absolutes in Nature. Everything is relative. Taoist Philosophy’s famed paradoxes arose from different points of views. An object is said to be big only if something smaller can be found. Similarly, good or bad is also relative since good or bad is based on individual standards which are subjective. When we perceive something as beautiful, the opposite term ugly arises. Judgment always creates—that is the paradox. Taoist Philosophy said:

“*Thirty spokes unite around the nave; From their not being (loss of their individuality) Arises the utility of the wheel. Mould clay into a vessel: From its not being (in the vessel’s hollow) Arises the utility of vessel. Cut out doors and windows in the house (wall), From their not being (empty space) arises the utility of the house. Therefore by the existence of things we profit. And by the non existence of things we are served.*”

Quoted in Lau Zi: Tao De Jing (Lau 1963):

Thus, a wise leader would not expect his subordinates to be efficient as well as creative at the same time. This is because a efficient worker may not have spare time to be creative. Whereas a creative person needs a lot of mental space to ponder and inspire.

The Principle of Holism:

Taoist Philosophy believed that *tao* is the great beginning and everything in the universe is inter related and interdependent. This is what is meant by holistic thinking. Therefore, a wise leader sees things in terms of its parts and relationships. The interrelatedness is strongly observed in leadership.

An overview of the related literature seems to suggest that Taoist philosophy does have influence on effective leadership. The powerful influence of Taoist philosophy in driving people in the east is reflected in terms of their humanness and deep philosophical meanings in affecting actions, behaviour and etc, particularly on leadership. However, Taoist philosophy could only be considered influential in exerting an effective influence on achieving leadership effectiveness and the overall organizational performances if the understanding is followed by the respective effective leadership actions.

Method:

The focus of this study is on the influence of Taoist philosophy on Chinese corporate leaders and leadership in Malaysia. Firstly, leadership is complex in nature, *let alone* corporate leadership in a multi-racial and

multi-cultural context. A practical and theoretical understanding of the influence of Taoist philosophy on Chinese corporate leadership will not only contribute to the body of knowledge of leadership studies, but also provide a different perspective on the understanding of the intricacies and complexities of Chinese corporate leadership. Hence, we see two interdependent areas of interests, that is, the practice and theory in the study corporate leadership, within the framework of an understanding of leadership behavior actions, involving knowledge and understanding of Taoist philosophy, including values, ethics, morals and a review of leadership assumptions, within the context of Chinese corporate leaders in Malaysia, consciously or unconsciously applying their knowledge and understanding of Taoist philosophy to execute vision and implement change in their organizations.

The sample is selected according to the size of the business(capitalization), business type, and performance of corporation based on the various indices as published by Bursa Saham Malaysia (BSM). The operational difficulties of defining corporate performance objectively, on close inspection, permeated with practical and conceptual difficulties. As such, a rather straight forward definition is adopted based on BSM's yardstick of performance standards in corporate performance.

The sample of Malaysian Chinese corporate leaders is to be selected purposively from among the cohort of corporate leaders in companies listed in the BSM. The selection strategy consists of first attempting to obtain a mix of cases or individuals that would provide diverse background between various corporate entities, and within these cases, to get as much range along the other dimensions as possible. As a practical matter, this meant cases are chosen purposively to maximize diversity along these dimensions but within the constraints of finding cases that fits these dimensions. In short, the sample is not random but purposive to maximize corporate and individual diversity. The dimensions in consideration are: type of business, size of business, performance, age of respondents, and experience of respondents. The method of seeking cases is deliberate and intentional, through contacts with some preliminary knowledge of the cases as this will allow for much stronger research design, and provide potential opportunities for theory building (Bennett 1997a).

In the larger study, a purposive sampling is used as the form of data collection. In special situation, the purposive sampling provided the appropriate means to investigate a specialized population of Malaysian Chinese corporate leaders. The exploration of purposive samples allowed for the investigation of element of Taoist philosophy in leadership practices from the respondents, which had not taken place prior to this study. Approval had been received from the selected respondents for interviews and data obtained were used for the purposes of this study. An agreement to maintain confidentiality and anonymity of companies and individuals was signed by both the researcher and respondents.

For the purpose of this study, an inductive case research design was used. Cases permit a replication logic in which cases are treated as experiments, with each case observing to confirm or disconfirm inferences drawn from others, and this process normally yields more robust insight than single case (Eisenhardt, 1989a; Yin, 1984). This study design embeds the knowledge and understanding as the unit of analysis. It was interesting because of the emergence of insight of wisdom based on the knowledge and understanding from the respondent. The focus is thus on the discovery of meaning and the wisdom based on the knowledge and understanding of Taoist philosophy from the respondent. Given the purpose of investigating leadership practices based on the leader's knowledge and understanding of Taoist philosophy, this study employed a research design that comprehensively tracks the wisdom from the respondent.

Since the main objective of this study is to examine Chinese Corporate leader and leadership process, respondent's perception and the challenges he faces with theoretical implications in strategic exchange, managerial activities and behavior, role theory, within the context of Chinese values and wisdom is explored. In short, this study of leadership is designed within the framework of the influence of knowledge and understanding of Taoist philosophy in the practice of leadership. Thus the person-centered or individualistic focus of this study is the central premise of analysis.

RESULTS AND DISCUSSION

This study was designed to study the influence of Taoist philosophy on Malaysian Chinese corporate leader. To that end, the characteristics of the respondent associated with wisdom, and the relation of these socio-psychological constructs, and the respondent's self-ratings regarding the constructs of wisdom correlated with assessments of organizational performance and leadership, will be explored.

Description of the Respondent:

Table 1 presents a brief description of the respondent for this study.

Basic Information And Family Background Of The Respondent:

The findings were based on the coding of the data in examining the knowledge and understanding of Taoist philosophy from the respondent. The semi-structured interviews transcripts, autobiographies, documentary analysis and observation were triangulated in this study reports. Direct quotes are indented and single-spaced.

Reflexibility for the presentation of the major findings based on the emerging concepts from data was used in this study. This is consistent with commonly used qualitative practices. (Bennett & George, 1997; Chua 2012; Gabarro 1987; Hancock 1998; Marshall & Rossman 1994; Miles & Huberman, 1993; Yin 1984)

Table 1: Respondent's Age, Educational Background/Level, Experience and Family Background.

Respondent	Age	Educational Background	Educational Level	Experience/Family Background
Respondent 1 (R#1)	62	Chinese Educated	Teacher Training Diploma	<p>Experience: More than 30 years of MLM experience. Business internationalized into 11 countries with solid MLM expertise. A famous social philanthropist.</p> <p>Family Background: Born in a poor family in Selangor, R#1 has seven siblings in the family. His parents were originally from the Province of Fu Jian in China. The couple worked as farmers without any formal education. Eventhough the condition of living for the family was very difficult, R#1's parents insisted that their children must go to school for formal education. As a poor farmer, his father had worked very hard in order to save sufficiently for children's education. R#1 completed his secondary education and worked as a school teacher for ten years before migrated to commercial world.</p>

Within Case Analysis of Responses of Knowledge and Understanding for Taoist Philosophy from the Respondent:

Table 2: Frequency, Intensity and Consistency of Responses of Knowledge and Understanding for Taoist philosophy for the Respondent 2:30PM 3:10PM 3:50PM 4:30PM.

Taoist Philosophy	LLLLLLLLLL LLLLLLLLLL	LLLLLLLLLL LLLLLLLLLL	LLLLLLLLLL LLLLLLLLLL
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Legend:

The concepts of knowledge and understanding of Taoist philosophy mentioned (Stripes of data) and discussed during the in-depth interview between the time slots from 2:30pm through 4:30pm

L=Taoist Philosophy:

R#1 feedback suggests that, Taoist philosophy was contributing to knowledge and understanding of his Chinese traditional philosophy. R#1 quoted Taoist philosophy in the following way:

“With the internationalized expansion, our group had instituted specialization and professionalization in business procedure and operation. In times of poor advantages, we have to depend on our fluidity and flexibility to wait for improvement and opportunities. The success of business must be seen as a relative weighing between organization and its environment. For example, after the 1988 cooperative crisis in Malaysia, we have learned the relativity or opposite or success and failure, crisis management differentiate the former from the latter. In order to penetrate the market, we did our best in conducting public relations with the locals, we helped them by building their facilities and infrastructure in order to win support. This passion has also reflected in our products and services. Now, most of our products had embedded such a passionate feeling in relation with our consumers' needs and inspiration”

R#1's Taoist leadership is found derived from the evaluated knowledge and understanding of Taoist philosophy. The evaluated understanding of the value of equality and flexibility supports the Taoist philosophy leadership on principle of *ying* and *yang*, fluidity, principle of paradoxes and holistic thinking. A wise leader sees things in terms of its parts and relationships. This interrelatedness is observed in leadership of R#1. He further described as in the following way:

“In our group, many top management are from very poor families. They were brought up from a tough background and yet cultivated good spirit of flexibility in life. This can only attribute to understanding of equality, that is, if you develop your compassion towards excellence in life, your persistence will be a stronger driver of your behavior, your thought and your determination. We need planning in life, and planning is our dream, it helps us to achieve our objectives. So, always listening to others viewpoints and opinions, being a holistic thinker, be fluid and understanding of every thing is created with parts and relationships will help us see things clearly and objectively. To use one saying, ‘There will be no dropping of biscuits from the sky, what dropped could be just traps and troubles’ explained that opportunities will not approaching us, we have to chase for it.”

R#1 leadership evidenced the influence of evaluated understanding on Taoist philosophy.

Taoist Philosophy Understanding of Leadership:

Taoist Philosophy espoused by Lao Zi focused on more on metaphysical understanding of human nature. The experience shared and exhibited by the respondent further echoed that Taoist Philosophy concerned about how things happen and how things work. 'Tao' or the way, is the principle that underlies all things and creation. Based on the respondent's knowledge and understanding, for understanding leadership based on Taoist philosophy, firstly, all matters in the universe *ying* and *yang* possess material forces which comprises both the *ying* and *yang* properties. They are opposite forces. The fluidity, soft and feminine force is the *ying* property whereas the hard, rigid and masculine force is the *yang* force. The origin of the concept of ying and yang comes from the concept of oneness. Secondly, according to Taoist philosophy, the properties of water (the *ying*) can be related to the qualities of an effective leader in terms of **fluidity** and flexibility in leadership. Natural law is neutral in judgment just like water refreshes all things in nature without discrimination. Water is responsive to its surroundings and freely follows nature's laws. Thirdly, there are no absolutes in nature as everything is relative. Taoist Philosophy's famed **paradoxes** arose from different points of views. Fourth, Taoist philosophy believed that *tao* is the great beginning and everything in the universe is inter related and interdependent. This is what is meant by **holistic thinking**. Therefore, a wise leader sees things in terms of its parts and relationships. The interrelatedness is strongly observed in leadership. Accordingly, the four aspects of leadership based on Taoist philosophy, namely; 1. Principle of *ying* and *yang*. 2.principle of fluidity. 3. Principle of paradoxes and 4. Holistic thinking were witnessed while analyzing the leadership of the respondent. Table 3 exhibits the rich data derived from the study in terms of the attributes of Leadership of the respondent on his evaluated understanding of Taoist philosophy and the related dimensions of leadership.

Table 3: The Attributes of Leadership of the Respondent on his Evaluated Understanding of Taoist Philosophy and The Related Dimensions of Leadership.

Taoist Philosophy- The Naturalistic Attributes	Acronym	Related to Dimensions of Leadership in terms of:
*Chooses and practice the principle of moderation	PM	-People Management
*Pays careful attention to all people surrounding him without being possessive, biased or using coercion	CATP	-People Management
*Believes in acting the role of a facilitator	ARF	-Leadership Behaviour and Styles -Organisational Design and Structure
*Sees things in terms of its parts and relationships	TPR	-Business Strategy and Orientation
*Pays full attention to the natural usage and makes full use of everything	FANUE	-Business Strategy and Orientation
*Never imposes his own idea of good upon others	NIOI	-Leadership Effectiveness and Organisational Performance -Leadership in Managing and Leading Change -Organisational Renewal and Success Leadership Behaviour and Styles
*Lets things unfold by themselves	LTUT	-Leadership Behaviour and Styles
*Sees things from a holistic point of view	STHP	-Leadership Behaviour and Styles
*Serves the people with high sense of equity and equality	SPEE	-People Management
*Able to make sense of things by relating one event to another	AMST	-Leadership in Managing and Leading Change

Table 4 Summarises the respondent's matrix of the effects of knowledge and understanding of Taoist philosophy reflected as the attributes through leadership dimensions on outcomes/changes of organizational variables during organisational life cycle. The patterns shown that most of the excellent and good performances on organisational variables, such as the organisational growth and renewal, HR and design and structure of the organisation, pro-activeness to changes and organisational culture and climate, appear in the later stages of organisational life cycle. Moving to the effectiveness of management functions and the sustainable competitive advantages, it is quite striking to note that the attributes of Taoist philosophy of the respondent were not explicitly reflected comparatively. The attributes were mostly absent. The respondent actually uses a very wide attributes of Taoist philosophy on most of the organisational variables on decision and performances except for management functions and sustainability of competitive advantage.

Table 4: RESPONDENT's Matrix of the Effects of Knowledge and Understanding of Taoist Philosophy Reflected as the Attributes Through Leadership Dimensions on Outcomes/Changes of Organizational Variables During Organisational Life Cycle

Attributes Of Taoist Philosophy (Acronym)	Related to dimensions of leaderships in terms of:	Organisational Growth and Renewal	HR and Organisation Design and Structure	Proactiveness to Macro Environmental Change	Effectiveness of Management Functions			S.C .A./ Procedure	Organisational Culture/Climate
					Marketing	Productivity	R&D		
PM	People Management	B A2 A1	C1 B A1	C1 B A2	C1 B A2	B A2	B A2	C1 A2	B A1
CATP	People Management	B A2	C1 B A2	B A2		B?			B A2

ARF	Leadership behavior and style	C1 B		B A2					
	Organizational design and structure	B A2 A1	C1 B A1	C1 B A1	B A1	C1 A2	B	A2	B A1
TPR	Business strategy and orientation	B A2	B A2	C1 A2	C1?			A2	C1A2
FANUE	Business strategy and orientation		B						
NIOI	Leadership effectiveness and organizational performance	B A2	B	A2		B?			C1 A2
	Leadership in managing and leading change	B A1	A2	C1 B A2	B	A2	B	A2	B A2
	Organisational renewal and success	C1 A2	C1B	B A2		C1 B A2		A2	B A2
LTUT	Leadership behavior and styles	C1A2	C1A2	B A2		B?			B A2
STHP	Leadership behavior and styles	A2	A2	A2					A2
SPEE	People management	B A2 A1	B A1	B A1	B A1	C1 A2	B	A2	A1
AMST	Leadership in managing and leading change	B A2	C1A2	A2	A2?			B?	B A2

Legend:

A1=Excellent

A2=Good

B=Average

C1=Below Average

?=Items with less researcher certainty

Conclusion

According to (Liu 1997; Pan & Y 2001; Cheung 1989), the application of *Tao* in leadership should institute the inaction or doing nothing that deviates from the natural course that can be considered to be the most effective course. This principle suggested that the inactive, non-coercive leader can gain effective support from the followers naturally. The findings of this study are consistent with the evidences of values of fluidity and flexibility that adjusted to changes of environment.

Similarly, the perspectives on studying nature is also observed in managerial and leadership studies. In management principles, Western management styles focuses on the rights and responsibilities (the *yang* component) whereas the Oriental styles rely more on relationship and values (the *ying* component) (Chen 2002). In reality, both are equally critical for organizational performances.

Also, according to Chen (2002), Western management styles consider courage, charisma, outspokenness and risk taking as some of the good qualities of an effective leadership (the *yang* component). On the other hand, oriental management styles highlight qualities such as wisdom, patience, tolerance and perseverance (the *ying* component).

In this study, the findings indicated that the evaluated understanding of *Taoist Philosophy* on maintaining a balance of all aspects of life is of paramount importance in achieving universal harmony. Treating staff equally and passionately had contributed towards evaluated knowledge and understanding. Apart from this, it is also noted that emphasize the interrelatedness and relativity of everything in the world in the form of '*ying*' and '*yang*'. Such holistic thinking is applied and evidenced and reflected clearly by the respondent's vision and mission statements has also greatly contributed towards wisdom that derived from knowledge and understanding of *Taoist philosophy* in this study. The matrix from Table 4 explained and supported this claim.

Taoist philosophy is thus an inexhaustible source of values and wisdom for good leadership practice, and has succeeded in finding a place in the world of Malaysian Chinese corporate leadership. The magnitude of *Taoist philosophy* lies in its rich practical values as virtues witnessed in corporate leadership in Malaysia.

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