Cross-Cultural Leadership, Diversity,

CHAPTER 14
Learning Objectives

- Understand why cross-cultural research on leadership is important.
- Understand different types of cross-cultural research.
- Understand the difficulties of studying cross-cultural leadership.
- Understand how cultural values are related to beliefs about effective leadership.
- Understand how cultural values can influence leader behavior.
- Understand how gender issues have been studied and the limitations of this research.
- Understand the findings in research on gender differences in leadership.
- Understand how to manage diversity and provide equal opportunities.
Cross-Cultural Leadership and Diversity
Starting with Culture...
and with the Question:

Why is research on culture and leadership needed?

- **Globalization**
  - Requires interaction with diverse coworkers, customers, etc.

- **Increasing number/size of multi-national companies**
  - Need to be able to influence people from other cultures

- **Cultural diversity of people in leadership positions**

- **Cultural factors influence organizational behavior:**
  - Language
  - Laws
  - Political systems
  - Religion
  - Ethnic heritage
Overarching Goals

- Understand generalizability of theories and taxonomies across cultures
  - Broader range of variables and processes
  - Culture-dependent situational variables
  - Methodological challenges
  - Questionnaires used across cultures may be interpreted differently

- Understand differences in beliefs about what effective management looks like
  - The same behavior might have different impacts on subordinate satisfaction, performance, etc. across cultures

- Understand different management practices across cultures
  - Influenced by factors like cultural norms, which interact with industry/organizational norms
Leadership Across Cultures

- Culture can influence organizational leadership in a number of ways:
  - Work relationships, hierarchies
  - (Un)acceptable uses of power
  - Social norms, social pressure
  - Consistency of cultural values with organizational values

- Two well-known large-scale projects have looked into these differences, resulting in several cultural value dimensions
Hofstede’s Cultural Dimensions Theory

- Geert Hofstede worked at IBM Europe
- Between 1967 and 1973, he conducted a large survey study across 50 countries and regions to understand national values differences
- Six follow-up cross-national studies (1990-2002) have been conducted to confirm and extend Hofstede’s findings
- His research and others has resulted in 6 main value dimensions
  - These are related to leadership beliefs, behavior, and development
Leadership & Cultural Dimensions

- 6 common cultural dimensions
  - **Power distance** – acceptance of unequal distribution of power & status in organizations
    - Participative leadership more accepted in low, autocratic in high
  - **Uncertainty avoidance** – how people deal with ambiguity
    - Reliable, orderly, cautious leaders are expected in high while flexible, innovative, and risk-taking leaders expected in low
  - **Individualism v. collectivism**
    - Individualism: autonomy of the individual is more important than the collective needs of the group. Collectivism: pride, loyalty, and cohesion within an organization or group.
    - In-group collectivism: loyalty to group; easier to get strong commitment
Leadership & Cultural Dimensions

- 6 common cultural dimensions (cont’d)
  - Gender egalitarianism – degree to which a culture minimizes gender inequalities
    - Impacts what behavior is seen as desirable and socially acceptable for leaders
  - Performance orientation – degree to which results are more important than people
    - Leader behaviors focusing on improving performance and efficacy are more important in high
  - Humane orientation – extent to which an organization encourages and rewards fairness, altruism, kindness, etc.
    - Consideration is super important; participative, servant leadership, team-building behaviors

How would leaders need to factor these in when hiring employees? Rewarding employees? Giving negative feedback?
GLOBE Project

- GLOBE – Global Leadership and Organizational Behavior Effectiveness
  - Large-scale, 10+ year effort involving international group of 170 researchers (House et al., 2004; Javidan et al. 2006)
  - Describes relationships among societal culture, organizational processes, and leadership
  - Uses many research methods, study types
GLOBE Project: Effective Leadership Attributes

**POINTS OF AGREEMENT ACROSS COUNTRIES**
- Visionary
- Decisive
- Dynamic
- Dependable
- Encouraging, positive
- Excellence oriented
- Honest and trustworthy
- Skilled administrator
- Team integrator

**POINTS OF DISAGREEMENT ACROSS COUNTRIES**
- Ambitious
- Cautious
- Compassionate
- Domineering
- Formal
- Humble
- Independent
- Risk-taker
- Self-sacrificing

(DORFMAN ET AL., 2004)
GLOBE Project

- Culturally endorsed implicit leadership theory (CLT)
- Leadership Questionnaire (112 items)
- CLT profiles (21 primary, 6 global leadership dimensions)
  - Charismatic/value-based
  - Team-oriented
  - Participative
  - Humane-oriented
  - Autonomous
  - Self-protective
Global Leadership Dimensions

- Charismatic/value based
  - Characterized by demonstrating integrity, decisiveness, and performance oriented by appearing visionary, inspirational and self-sacrificing, but can also be toxic and allow for autocratic commanding

- Team oriented
  - Characterized by diplomatic, administratively competent, team collaboration and integration. A toxic leader would be malevolent, alienating the team, but driving cohesion

- Self-protective
  - Characterized by self-centered, face saving, procedural behavior capable of inducing conflict when necessary, while being conscious of status

- Participative
  - Characterized by (non-autocratic) participative behavior that is supportive of those who are being led

- Humane orientation
  - Characterized by modesty and compassion for others in an altruistic fashion

- Autonomous
  - Being able to function without constant consultation
## GLOBE Project

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<th>Lowest</th>
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<tr>
<td>Charismatic/value-based</td>
<td>Middle East</td>
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<td>Team-oriented</td>
<td>Middle East</td>
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<td>Participative</td>
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<td>Humane-oriented</td>
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Leadership Across Cultures

- Cultural clusters
  - Latin America
  - Anglo
  - Latin Europe
  - Nordic Europe
  - Germanic Europe
  - Confucian Asia
  - Sub-Saharan Africa
  - Middle East
  - Southern Asia
  - Eastern Europe
Challenges to Cross-Cultural Research

- Different sets of cultural dimensions
- Assume values apply to everyone in the country
- Reliance on surveys
  - Can be interpreted differently by culture
  - Response bias → some cultures rate more harshly, others tend to stick to middle of scale
  - Lack of control variables
    - Differences due to demographics (e.g., age, SES) or culture?
    - Differences due to non-cultural aspects of situation (e.g., economy, hierarchical nature of org.) or culture?
- Lack of representative samples
- Failure to collect right kind of data that will help explain cultural differences, not just identify that they exist
- Leadership is determined by and also influences culture
The 2\textsuperscript{nd} Big Category: Gender
Gender and Leadership

- What are some assumptions people make about who is likely to be an effective leader?
  - Gender stereotypes about men
  - Gender stereotypes about women

- How accurate are these assumptions and stereotypes?
Gender and Leadership

- There is still a “glass ceiling” (fewer women at the top of organizations)
  - Lack of opportunities to get experience, visibility
  - Higher standards for women vs. men
  - Exclusion from informal networks
  - Lack of encouragement and support for key developmental activities
  - Lack of effort to gain access to senior leadership positions
  - Competing family demands
  - Lack of effort by management to support equal opportunity
  - “Similar to me” bias in leadership ranks
Gender and Leadership

Pay Gap

- *On average*, women earn 77% of what men earn

- There are many complex factors influencing this:
  - State
  - Race
  - Occupation
  - Age
  - Education level (non-linear)
  - Children
  - Hours worked
Theory of Feminine Advantage

- Feminine advantage
  - As organizations change over time, they seem to value capabilities that women have:
    - Consensus building
    - Inclusiveness
    - Empathy
    - Intuition
    - Teamwork

- Need to be careful about claiming superiority of any one gender over the other
Key Findings in Gender and Leadership Research

- No differences in task-and relations-oriented behaviors
  - Some research shows women do better in jobs requiring strong interpersonal skills while men do better in jobs requiring strong task skills
  - Because most leadership positions require both type of skills, gender is unlikely to be a useful predictor of leadership effectiveness

- Women encourage more participative leadership

- Women score slightly higher on transformational leadership
  - But, might be due to individualized consideration and contingent reward behavior
Limitations of Gender Research

- Lack of clear definition of gender
  - Anatomical similarity vs. characteristics associated more often with females or males

- No control for extraneous variables
  - Time in position, level, function, type of organization
  - Extraneous variables might be confounds that explain differences, as opposed to gender explaining these differences. This is especially important because a lot of literature focuses on *if* these differences exist, as opposed to *why* these differences exist (think mediators)

- Unequal distribution of women and men in different kinds of organizations/professions
  - Preferences? Strength alignment? Organizational biases?

- Fewer women participants in studies
Diversity

- Many forms → gender, age, race, ethnicity, SES, religion, sexual orientation, education level
  - Diversity is not just gender differences

- Benefits
  - Variety of perspectives
  - Ability to meet wider range of requirements, fill jobs

- Costs
  - Increased conflict, distrust; lower satisfaction if employees can learn to appreciate differences
Managing Diversity

- Be a good role model and encourage diversity
- Promote respect for individual differences
- Educate workforce on different values, beliefs etc.
- Discourage stereotyping
- Zero tolerance for discrimination, prejudice, harassment
- Identify and correct organizational biases that may exist
- Mentor minority group members
- Foster equal opportunities in recruitment, hiring, pay, training and other HR practices