

# CHAPTER 13

## Cross-Cultural Approaches to Leadership

Zeynep Aycan

*Arabs worship their leaders—as long as they are in power!*

—House, Wright, and Aditya (1997, p. 535)

*The Dutch place emphasis on egalitarianism and are skeptical about the value of leadership. Terms like leader and manager carry a stigma. If a father is employed as a manager, Dutch children will not admit it to their schoolmates.*

—House et al. (1997, p. 535)

*The Malaysian leader is expected to behave in a manner that is humble, modest and dignified.*

—House et al. (1997, p. 535)

*The Americans appreciate two kinds of leaders. They seek empowerment from leaders who grant autonomy and delegate authority to subordinates. They also respect the bold, forceful, confident, and risk-taking leader as personified by John Wayne.*

—House et al. (1997, p. 536)

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*For Europeans . . . everything seems to indicate that leadership is an unintended and undesirable consequence of democracy.*

—Graumann and Moscovici (1986, pp. 241–242)

*Indians prefer leaders who are nurturant, caring, dependable, sacrificing and yet demanding, authoritative, and strict disciplinarian.*

—Sinha (1995, p. 99)

As captured in the above quotations, leadership, as seen through the eyes of followers, cannot be studied without taking into account the effect of cultural context. To remain key players in the global economy, organizations invest in developing leaders who have competencies to understand and manage diversity both at home and globally. While globalization offers numerous opportunities for cross-border synergies for multinational enterprises, leadership challenges can work against realizing such potential (Bartlett & Ghoshal, 1998; Bartlett, Ghoshal, & Birkinshaw, 2004; Peterson & Hunt, 1997). Organizations strive to find the “one best way” of managing people, and they often import leadership theories and development programs, whose effectiveness may be specific to a particular nation or cultural context, to other contexts. However, as stated by Steers, Porter, and Bigley (1996), “no nation or culture has a monopoly on the best ways of doing something. This is especially so when it comes to understanding motivation and leadership at work” (p. 423). Cross-cultural leadership research helps organizations understand the cultural contingencies under which certain leadership approaches work better than others.

Although leadership is one of the most widely researched topics in the literature, it is only recently that attention has been shifted to the effects of the cultural context on leadership. This is evident from recent reviews on the topic (e.g., Ayman, 2004; Bass, 1997; Dorfman, 2004; Gelfand, Erez, & Aycan, 2007; House et al., 1997) and a special issue of *Leadership Quarterly* (Peterson & Hunt, 1997). The past decade also witnessed one of the most important advances in the cross-cultural leadership field with the completion of the GLOBE (Global Leadership and Organizational Behavior Effectiveness) project (House, Hanges, Javidan, Dorfman, & Gupta, 2004). Studying leadership from a cross-cultural perspective contributes not only to practice but also to scientific advancement in this field. Cross-cultural studies are necessary to test the external validity of leadership theories that have been developed in a single context by identifying “universal” as well as “culture-specific” traits, behaviors, and influence processes in leadership (see Den Hartog, House, Hanges, Ruiz-Quintanilla, & Dorfman, 1999).

This chapter provides a critical review of the cross-cultural leadership literature. The first section presents theoretical approaches to leadership in a cultural context and proposes a new model. This is followed by a critical review of the literature through three lenses: (1) culture as a main effect influencing leadership, (2) culture

as a moderator of the relationship between leadership and outcomes, and (3) culture as a source of meaning in leadership. The chapter concludes with a discussion on future directions.

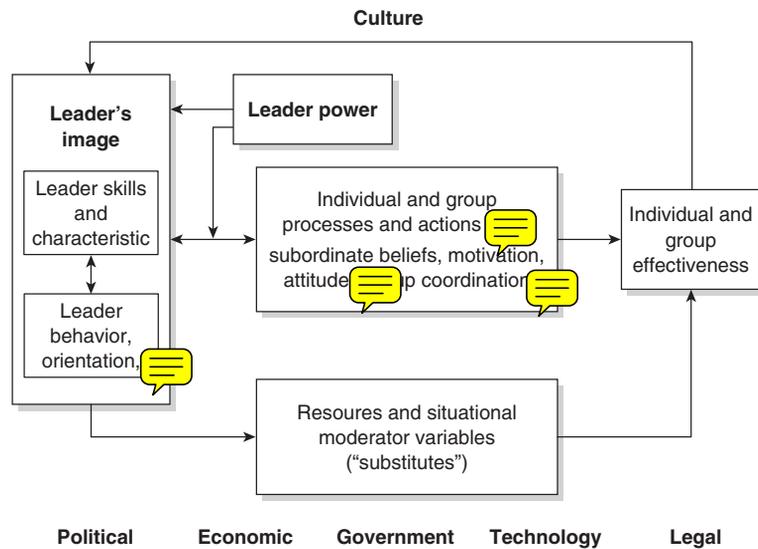
## Theoretical Approaches to Leadership in a Cultural Context

Throughout history, leadership has been a central force in the development of nations and organizations (Kerr, Harbison, Dunlop, & Myers, 1996). Despite the universality of the idea of leadership, it is difficult to identify an agreed definition for it. The large-scale GLOBE project, initiated by Robert House and his colleagues in 1991, started by searching for a universal definition of leadership, in collaboration with 54 researchers from 38 different countries. A consensus was reached on the definition of organizational leadership as “the ability of an individual to influence, motivate, and enable others to contribute toward the effectiveness and success of the organizations of which they are members” (House, Javidan, & Dorfman, 2001, p. 494).

Except for some recent developments, there has been a lack of theoretical frameworks that explain the specific mechanisms through which cultural context influences the leadership phenomenon. Two key theoretical approaches describing the process of cultural influence on leadership are first outlined, followed by presentation of the model developed by the present author.

The first model was proposed by Dorfman (1996). His culture-enveloping model of leadership (Figure 13.1) considers national culture as an all-encompassing influence on leadership processes. The framework is based on social cognitive information processing theory. The model proposes that national culture influences the leader’s power and image, as well as the interpersonal relationships between the leader and his or her followers. With respect to power, culture has an impact on the actual and perceived capacity of the leader to influence others in the organization (Dorfman, 1996, pp. 312–313). For example, in large-power-distance national cultures, the leader’s potential to influence others is more evident than in small-power-distance cultures. Second, the effective leader prototype in a particular cultural context influences the ideal leadership image of the followers. Third, the behavioral exchanges between the leader and the followers (i.e., role enactment by the leader) are culturally contingent. For example, leader-follower exchange based on participatory premises is neither expected nor effective in large-power-distance cultures. The model also proposes that resources and situational contingencies (i.e., substitutes for leadership) are important moderators of leadership effectiveness in all cultures.

More recently, House et al. (2004) proposed one of the most comprehensive theories elaborating the effect of culture on leadership. In their large-scale GLOBE research program, 170 scholars from 62 nations investigated the ways in which culture, both at the national and at the organizational levels, influences leadership preferences. One of the key questions posed by this project was which specific leadership attributes and behaviors were universally endorsed as contributing to

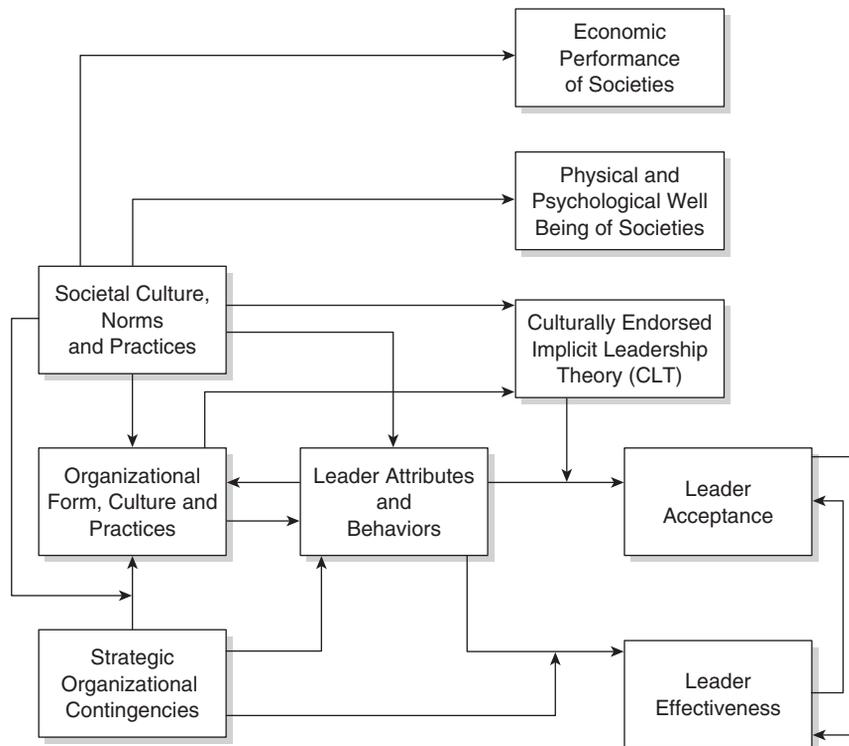


**Figure 13.1** Dorfman's Culture-Enveloping Model of Leadership

SOURCE: Reproduced by permission of Wiley-Blackwell from Dorfman (1996).

effective leadership and to what extent these attributes and behaviors were linked to cultural characteristics. The GLOBE project integrated implicit leadership theory (Lord & Maher, 1991), culture theory (Hofstede, 1980), implicit motivational theory (McClelland, 1985), and the structural contingency theory of organizational form and effectiveness (Hickson, Hinings, McMillan, & Schwitter, 1974). The central proposition of the GLOBE project (Figure 13.2) is that "the attributes and entities that differentiate a specified culture are predictive of organizational practices and leader attributes and behaviors that are most frequently enacted and most effective in that culture" (House et al., 2004, p. 17). According to this model, national culture, norms, and practices influence (1) leader attributes and behaviors; (2) culturally endorsed implicit leadership theories; and (3) organizational form, culture, and practices. In addition to national culture, strategic organizational contingencies also influence organizational form, culture, and practices as well as leader attributes and behavior. Leader attributes and behaviors are accepted and *perceived* as effective to the extent that they are in line with culturally endorsed implicit leadership theories and strategic organizational contingencies.

Neither of these theoretical approaches captures the dynamic aspect of the interaction that occurs between the leader and the followers and how this interaction is influenced by the cultural context. The model that is proposed in this chapter, the dynamic model of leader-follower interaction, aims at achieving that. Like the culture-enveloping and GLOBE models, this model acknowledges that leadership process and effectiveness are influenced by both cultural factors (e.g., values, beliefs, assumptions, norms, practices) and noncultural factors (e.g., organizational

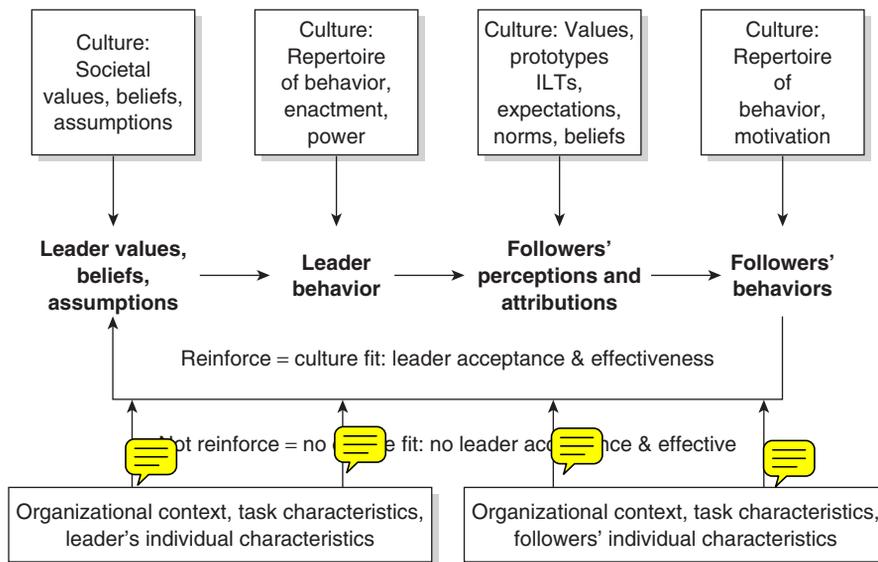


**Figure 13.2** The GLOBE Project's Theoretical Model

SOURCE: Reproduced from House et al. (1994).

contingencies and structural elements, individuals' demographic characteristics and competencies). Second, borrowing from Graen's (1976) leader-member exchange (LMX) theory, the model states that there is a dynamic interaction between the leader and the followers and that the leader's behavior both influences and is influenced by the followers' behaviors.

More specifically, the model asserts that leaders behave in accordance with their values, beliefs, and assumptions about the task and the nature of followers. Based on social cognitive information processing theory, it postulates that the leader's behavior is observed and evaluated by the followers, who then make attributions about the leader's behavior. In turn, subordinates react in particular ways to the leader's behavior. If follower behaviors or reactions reinforce the leader's values, beliefs, and assumptions, then there is a culture fit, which leads to leader acceptance and effectiveness. Consider an example. An American manager is assigned to an expatriate position in India. He values participation and assumes that employees want participation. Based on his values and assumptions, he asks the opinions of functional managers regarding a strategic decision. His subordinates (i.e., functional managers) are puzzled with this "unusual" behavior and attribute it either to the incompetence of the leader ("He does not know what to do") or to the possibility that he is testing



**Figure 13.3** The Dynamic Model of Leader-Follower Interaction

them (“He knows what to do, but he is testing us”). In either case, they decide to keep silent to be on the safe side. Now, the leader is puzzled to observe the nonparticipatory behavior of his followers. He is disappointed and feels the necessity to revise his values, beliefs, and assumptions. In the meantime, the subordinates find it very difficult to accept him as a leader and consider him ineffective.

What are the factors influencing the elements in the model? First of all, it is evident from the preceding discussion that culture influences the values, beliefs, assumptions, attributions, and behaviors of both the leader and the followers. However, as stated by Dorfman (1996), “it is simply too easy for researchers to slip into the epistemological trap of inferring that culture is the root cause of cross-national differences. Besides culture, myriad other factors including technological, political, economic, and organizational factors influence organizational behavior” (p. 321). In line with this assertion, the dynamic model proposes that the interaction is influenced also by organizational (e.g., organizational structure and strategies), task-related (e.g., innovative vs. routine tasks), and individual-level factors (e.g., the age, gender, and personality of the leader and follower).

## A Critical Review of Cross-Cultural Leadership Research

The role of culture in the leadership process is next discussed using the typology of cross-cultural research proposed by Lytle, Brett, Barsness, Tinsley and Janssens (1995). In the first category of studies, culture is treated as a main effect (Type I hypothesis). According to this approach, culture is the key antecedent of leader

behavior or attributes. In the second category, culture is treated as a moderator (Type II hypothesis). This approach acknowledges that constructs may be related in nonuniform ways across cultures. Type II research attributes differences in the strength and magnitude of relationships among leadership-related constructs to cultural variations. However, the assumption remains that leadership constructs have equivalent meaning and that they function in similar ways in different cultural groups. Finally, in the third category, culture is treated as the source of emic meanings and constructs (Type III hypothesis). This approach starts out by examining the culture-specific meanings of leadership. Conceptual, structural, and functional equivalences across cultures are neither assumed to exist nor denied, but they are investigated.

## Culture as a Main Effect Influencing Leadership

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Most research on culture and leadership has implicitly adopted the Type I approach, predicting that culture has a direct effect on both leaders *and* followers. According to this paradigm, leaders behave in accordance with their values, beliefs, and assumptions, which, in turn, are influenced by the cultural context. There are many examples of research within this paradigm, dating back to Haire, Ghiselli, and Porter's (1966) well-cited study based on data from 3,500 managers from 14 nations (8 European nations, Argentina, Chile, India, Japan and the United States). Findings revealed that national differences accounted for almost one third of the variance in how managers reported their behavior in their leadership role. A considerable body of research follows the tradition stimulated by the Haire et al. (1966) project. This section summarizes studies following this tradition within each of the three main approaches to leadership: (1) the trait approach, (2) the behavioral approach, and (3) the transformational and charismatic leadership approach.

### The Trait Approach

While research within the trait approach has traditionally emphasized personality characteristics and abilities, focus recently has shifted to specific attributes that can be directly related to behaviors required for effective leadership. Characteristics of effective leaders in the United States and seven European nations were compared by Robie, Johnson, Nilsen, and Hazucha (2001). Intelligence, conscientiousness, and ability to motivate subordinates were reported to be effective across these nations; however, there were also important differences that were said to warrant further exploration (e.g., the ability to act with integrity). In Confucian societies, although conscientiousness and agreeableness were perceived to be the attributes of effective leaders, openness to new experiences was found to be the least associated with perceived leader effectiveness, because openness has different connotations in these contexts than in the Western cultural context (Silverthorne, 2001).

Cross-cultural differences in leaders' strategic orientations have also been found in nation-level analyses. In a study of executives in 20 nations, Geletkanycz (1997) showed that individualism, low uncertainty avoidance, small power distance, and

short-term orientation were associated with executives' adherence to existing strategy. Similarly, in a study of leaders' goal priorities, Hofstede, Van Deussen, Mueller, and Charles (2002) found that individualism and long-term orientation correlated positively with the importance of profits in upcoming years, whereas power distance correlated negatively with staying within the law.

### *The GLOBE Project*

Culture is also assumed to have a direct effect on followers' perceptions, expectations, preferences, attributions, and motives. As Figure 13.3 indicates, because leadership is viewed through the eyes of followers, the cultural context influencing followers also has an impact on leaders. One of the most popular theories about the effects of followers on the leadership process is implicit leadership theory (Lord & Maher, 1990), which is a key theoretical foundation of the GLOBE project. According to the central tenets of the GLOBE project, culture has a direct effect on followers' implicit leadership theories. Shared role schemes and prototypical attributes concerning leadership differ across cultures and are referred to as "culturally endorsed implicit leadership theories." However, GLOBE's adoption of implicit leadership theory as a theoretical basis is not without criticism. For example, Peterson (2004b) argued that implicit leadership theory is about reflections of non-conscious cognitive structures (e.g., scripts and schemas) on conscious thoughts and behaviors captured in surveys and that the inaccuracies and biases in explicit reports as less than perfect representations of implicit theories should be considered. Peterson, therefore, suggested that what is captured in GLOBE is better represented as "explicit leadership perceptions or ideals," rather than implicit theories (p. 644).

In the GLOBE project, the impact of culture on attributes perceived to be effective for organizational success was studied in 62 different national cultures (House et al., 2004; Koopman et al., 1999). For each leadership attribute, respondents were asked the extent to which it was a characteristic that contributed greatly to a person being an outstanding leader. The findings revealed that two leadership attributes were universally endorsed. The first was charismatic/value-based leadership, with subscales identified as visionary, inspirational, self-sacrificial, high in integrity, decisive, and performance oriented. The second was team-oriented leadership, which included attributes such as team oriented, team integrator, high on diplomacy, benevolent, and administratively competent. Universally negative leader attributes included asocial, noncooperative, irritable, nonexplicit, egocentric, ruthless, and dictatorial. While the GLOBE project revealed such universals, it also detected culturally contingent attributes of leaders that were considered to be effective. There were large cross-cultural variations in perceived effectiveness of four main attributes: narcissistic (e.g., self-centered, status conscious, conflict inducer, face saver, procedural), participative, humane (e.g., modest, humane), and autonomous leadership (e.g., individualistic, independent, autonomous, and unique).

To identify the source of cross-cultural variance, the GLOBE project connected ideal leadership attributes to "ideal" cultural characteristics (House et al., 2004). Culture was conceptualized and operationalized in this study at the national and organizational levels. Furthermore, values were gauged in two time frames: culture now

(*as is*) and culture as desirable (*as it should be*). House et al. (2004) reported that endorsement of team-oriented leadership as contributing to the success of the organization was predicted by the extent to which respondents desired their nations and organizations to be more collectivistic. Seeking higher performance orientation in the future predicted endorsement of charismatic leadership. Participative leaders were preferred in nations where there is a preference for less uncertainty avoidance and less hierarchy.

### *Followers*

The leadership process is influenced not only by followers' perceptions and leadership ideals but also by their attributes and characteristics. Although leadership is usually considered to be a unilateral and downward influence process, research demonstrates that followers also influence their leaders through a process of bottom-up influence (e.g., Graen & Wakabayashi, 1990; Herold, 1977). There is not much cross-cultural research in this area, but Valikangas and Okumura (1997) demonstrated that followers' motivation to change differed between the United States and Japan and that this motive constituted a source of power for leadership. That is, the type of effective power strategy that leaders used varied depending on the culturally specific behavioral motives of followers. Other studies on followers' preferences for leadership have investigated the role of followers' value orientations (Ehrhart & Klein, 2001), personalities (Ehrhart & Klein, 2001; Ergin & Kozan, 2004), demographic characteristics (Yu & Miller, 2005), and occupational grouping (Zander & Romani, 2004) as factors accounting for variance across as well as within national cultures. These studies suggest that national differences account for more variance in leadership preferences than do within-nation predictors.

Followers' performance also influences leaders (Graen & Wakabayashi, 1990). Just as culture influences the behavioral repertoire of leaders, it also influences the behavioral repertoire of followers. Based on followers' performance and behavioral reactions, leaders may need to adjust their style or tactics. For example, Kozan (1993) concluded that although managers in developing nations endorse participative practices, they are often frustrated by the limited capacities of employees for participation and initiative taking. Leadership effectiveness is possible to the extent that leadership practices enhance followers' self-efficacy, self-enhancement, and self-consistency (Erez & Earley, 1993). Followers' performance provides valuable feedback to leaders, who may then have to modify their practices to increase their congruence with the needs of their followers.

## **The Behavioral Approach**

The second major theoretical approach attributes leaders' effectiveness to the specific behaviors that they exhibit on the job. Three lines of research dominate the literature in this theoretical tradition: (1) classification of leadership behaviors into taxonomies, (2) comparison of the prevalence of leadership behaviors in different cultural contexts, and (3) identification of behaviors that are related to criteria of leadership effectiveness. The last approach will be discussed in detail in the next section, on culture as a moderator between leadership and outcomes.

### *The Ohio State Tradition*

One of the most frequently studied taxonomies of leadership was the one first formulated by researchers at Ohio State University in the early 1950s (e.g., Fleishman, 1953). Subordinates were found to perceive leadership behavior in terms of two distinct categories: initiating structure (task-oriented behavior) and consideration (people-oriented behavior). Initiating structure refers to the degree to which managers define the roles of their subordinates in job-related activities, specify procedures, and assign tasks (e.g., emphasizing the meeting of deadlines), whereas consideration refers to the degree to which managers develop a work climate that promotes subordinates' trust and respect for their ideas and feelings (e.g., making group members feel at ease when talking to them). This two-dimensional structure of leader behavior has been supported by many cross-cultural studies (Ayman & Chemers, 1983; Bond & Hwang, 1986; Misumi & Peterson, 1985), some conducted as early as the mid-1960s (Rim, 1965). However, the factor structure of the Leader Behavior Description Questionnaire (LBDQ) assessing the two dimensions does not replicate in all cultural contexts (Ayman & Chemers, 1983; Littrell, 2002; Schneider & Littrell, 2003).

Shenkar, Ronen, Shefy, and Hau-Siu Chow (1998) investigated the role structure of Chinese managers. The structure of task- and relationship-oriented roles was replicated, but an additional political role was also found. Another dimension, "moral character" (e.g., fairness to all employees, remaining within the law and resisting the temptation for personal gain) emerged in Xu's (1987) work in China. Drost and Von Glinow (1998) tested the applicability of the two-factor model of leadership behavior in Mexico and also found variations in the factor structure. Furthermore, data gathered from managers differentiated two factors, whereas those from employees did not.

Zagorsek, Jaklic, and Stough (2004) compared leadership practices in the United States, Nigeria, and Slovenia using another popular measure, the Leadership Practices Inventory (LPI; Kouses & Posner, 1993). They found similarities, except in the "modeling the way" and "enabling others to act" dimensions. Scandura and Dorfman (2004) found that Mexican leaders scored lower than U.S. leaders on all five dimensions of the LPI.

There have been a few studies comparing participative and consultative leadership behavior in different nations. For example, Yeung (2003) found that Hong Kong Chinese managers invited subordinates' participation in problem solving, whereas Australian managers tended to engage in consensus checking before arriving at a final decision. Using Flamholtz's (1986) leadership model, Marcoulides, Yavas, Bilgin, and Gibson (1998) showed that in both the United States and Turkey, the six-factor model held and that U.S. leaders scored higher on the consensus-based leadership style than Turkish leaders, whereas Turkish leaders scored higher on the autocratic leadership style.

The problem with this kind of comparative research into leader behaviors is whether or not we should attribute variations that are found to real cultural differences or to methodological artifacts. Several authors argue for the latter. Behaviors described in standardized questionnaires like the LBDQ are too general (e.g., "acts friendly")

to express the specific enactment of such behaviors in different cultural contexts. The key to understanding cross-cultural variations is to examine the *emic* meanings of constructs such as participation or task orientation prior to comparing the constructs (i.e., ensuring conceptual equivalence). Smith (1996) questioned the legitimacy of administering standardized measures across national cultures: "How can we be sure of cross-cultural generalities about leader behaviors before we have conducted in-depth studies of the local, or *emic*, meanings given to leader behaviors?" (p. 628). Misumi (1985) argued that genotypic (*etic*) behaviors need to be operationalized differently according to the manner in which they are expressed in each organizational setting and national culture (i.e., phenotypic behaviors). Triandis (1990) also concurred that "the behaviors that define *production* or *maintenance* differ across cultures. So, while the laws of group behavior at a higher level of abstraction are the same, at the specific level of 'what do I need to do to be viewed as considerate?', the leader must acquire different kinds of information" (p. 140).

### *PM (Performance Maintenance) Leadership Theory*

Misumi's Japanese-based performance maintenance leadership theory (Misumi, 1985; Misumi & Peterson, 1985) was not novel in that it was also based on the well-established distinction between initiating structure and consideration. In contrast to U.S. findings, Misumi found that effective leaders in Japan are concerned with both task accomplishment ("performance" dimension—P) and maintenance of good interpersonal relationships ("maintenance" dimension—M). His contribution to the cross-cultural literature was to suggest that genotypic behaviors should be operationalized differently according to the manner in which they are expressed in each national culture. Misumi and colleagues (Smith, Misumi, Tayeb, Peterson, & Bond, 1989) operationalized P and M differently in work settings in Japan, Hong Kong, the United Kingdom, and the United States to allow the description of culture-specific behaviors that are seen as P or M. In their study, both general (e.g., "My supervisor is friendly and approachable") as well as specific items to describe behavioral manifestations of, say, friendliness were included. For example, specific items associated with M in Japan described the supervisor as speaking about a subordinate's personal difficulties with others in his or her absence. In contrast, a specific *emic* manifestation of M in the United States described the supervisor as being consultative and participative and not dealing with the problem through written memos. Smith, Peterson, Misumi, and Bond (1992) also found both *etic* and *emic* items for performance orientation (P). Studies of this type demonstrate that it is possible to find universally endorsed attributes or behaviors but that their manifestation or enactment can be markedly different in each cultural context.

### *The Event Management Model*

One of the most extensive investigations of leadership behavior and practices is the Event Management project (Smith, Peterson, & Schwartz, 2002). In this program of research, middle managers from 47 nations reported the ways in which they handled work events by using rules, norms, and people occupying various

organizational roles to provide different sources of guidance. Drawing from role theory (Kahn, Wolfe, Quinn, Snoek, & Rosenthal, 1964; Merton, 1957), the project examines the implications of cultural value dimensions for the roles, rules, and norms that provide the context in which managers behave. As suggested by Kahn et al. (1964), roles derive from interactions among superiors, subordinates, or colleagues rather than from formal functions or positions. The Event Management project can be considered as adopting a dynamic interactionist perspective, examining the reciprocal interplay between leaders and their various sources of guidance (i.e., subordinates, superiors).  power distance was the strongest predictor of reliance on vertical sources of guidance (formal rules and superiors) within organizations. Small power distance predicted reliance on one's own experience and on subordinates. Values were not strong predictors of reliance on peers. The influence of individual-level demographic attributes on the use of vertical sources of guidance was found to be stronger in individualistic and small-power-distance national cultures (Smith et al., 2005). Thus, leader actions are more dependent on context where power distance is large and more dependent on personal attributes where power distance is small.

### *The Transformational/Charismatic Approach*

Bass's (1997) review of cross-cultural studies of transformational leadership concluded that his distinction between transformational and transactional dimensions was universal and that the former was more effective than the latter. Research in the past decade has provided further evidence supporting these conclusions (e.g., Dorfman et al., 1997; Drost & Von Glinow, 1998; Shenkar et al., 1998; Walumbwa, Orwa, Wang, & Lawler, 2005), but at the same time it has found culture-specific enactment of these dimensions and/or additional dimensions that are relevant in some national cultures. For example, Shahin and Wright (2004) replicated the two-dimensional model in Egypt but also found additional dimensions, such as bureaucratic and autocratic leadership, and social integration as important aspects of leadership. Wah (2004) discovered additional behavioral attributes of Chinese CEOs' transformational leadership, such as good moral character, belief in relationships (e.g., belief in kindness, benevolence, people, and relationships; being sensitive to the needs of people), and a naturalistic approach (e.g., allowing things to unfold themselves and playing a facilitator role in leadership). Similarly, Mehra and Krishnan (2005) found that the Indian *Svadharm*a-orientation (following one's own *dharma* or duty) is an important component of transformational leadership in India. Executives in Taiwan and Canada showed similarities in charismatic leadership, but the specific items on which they scored high differed (Javidan & Carl, 2005).

The implicit leadership theory (e.g., Lord, 1985) suggests that leaders are judged to be effective or not effective depending on the extent to which their traits, their behaviors, or the outcomes of their behaviors confirm our expectations of "good" leadership. Grounded on implicit leadership theory, Ensari and Murphy (2003) found that the perception of charisma is recognition based (how well a person fits the characteristics of a "good" or "effective" leader) in an individualistic culture (e.g., the United States), whereas it is inference based (i.e., inferred from

group/organizational performance outcomes) in a collectivistic culture (e.g., Turkey). Valikangas and Okumura (1997) studied leadership attributions in relation to the motives of followers in Japan and the United States. They found that the primary motive for Japanese employees is the “logic of appropriateness” (resembling recognition-based perception), whereas for U.S. employees it is the “logic of consequence” (resembling inference-based perception). The contradiction between the findings of the two studies warrants further exploration.

### Gender

Only a few studies have investigated women in leadership roles across national cultures (e.g., Adler, 1997; Sczesny, Bosak, Neff, & Schyns, 2004). The findings suggest that leadership roles are influenced by the gender role stereotypes prevalent in society, so that men and women are expected to enact their leadership roles differently. However, research has also shown that cross-national differences account for more variance in leadership behaviors than do cross-gender differences (Stoerberl, Kwon, Han, & Bae, 1998; Toren, Konrad, Yoshioka, & Kashlak, 1997).

To conclude this section, leadership research in the culture-as-the-main-effect tradition has contributed significantly to our understanding of cross-cultural variations in leadership. However, more systematic research is needed to delineate the ways in which and the extent to which culture influences leader attributes and behaviors, followers’ perceptions and prototypes, and the relationship between leaders and followers. The model proposed in this chapter would be useful in guiding future research examining the effect of culture on various elements of the leadership process. The relationship between the cultural context and leadership phenomena should be examined by *directly* measuring aspects of culture and linking these to observed leadership behavior, attributes, or relationships with followers. It is also important to pay attention to the level of analysis in cross-cultural leadership research. Some of the studies reviewed in this chapter used individual-level indicators of culture (e.g., individual values or perceptions) and conducted pancultural analyses at the individual level (e.g., relating individuals’ value orientations to their leadership preferences). Others measured culture at the national level (e.g., the GLOBE research) by aggregating data to the national level to make cross-cultural comparisons (e.g., relating cultural values to leadership preferences in analyses with a sample size equal to the number of nations studied). It is well-known in cross-cultural research that these two types of research yield different results (see Van de Vijver & Leung, 1997). The choice of level of analysis should be explicitly stated and justified in any cross-cultural leadership study.

## Culture as a Moderator of the Relationship Between Leadership and Outcomes

As previously stated, cross-cultural leadership research has been dominated by the culture-as-the-main-effect paradigm. However, there have also been a sizeable number of studies testing culture as a moderator. These studies suggest that

national culture is one of the most important contingencies moderating the relationship of leadership with employee attitudes and performance (e.g., Dorfman et al., 1997). Unlike the research reviewed above, these studies do not predict that national culture has a direct and uniform effect on the behaviors of leaders or on relationships with followers; rather, culture is predicted to influence the *outcomes* of the leadership process. Type II studies have also employed many of the leadership measures first developed in the United States, as detailed below.

### *Ohio State Measures*

Agarwal, DeCarlo, and Vyas (1999) found that the relationship of leaders' initiating structure and consideration with organizational commitment was moderated by culture. Employees in India felt more commitment when their leaders exhibited initiating structure behavior, as this reduced their role ambiguity and role conflict, but this effect was absent in the United States. However, leader consideration decreased these negative experiences and enhanced commitment in both national cultures. Lok and Crawford (2004) demonstrated that the effect of considerate leadership on organizational commitment was stronger in Australia than in Hong Kong.

### *Leader's Contingent Reward, Participativeness, Supportiveness, and Directiveness*

Dorfman and Howell (1988) tested the moderating role of national culture on the relationship between leader behavior (i.e., directive, supportive, contingent reward, contingent punishment) and job satisfaction, organizational commitment, and job performance of employees. They found that performance-reward contingency and supportive leadership behavior were associated with positive employee attitudes and increased performance irrespective of the cultural context, while contingent punishment and directive leadership behavior were more effective in large-power-distance and collectivistic national cultures. In a later study, Dorfman et al. (1997) expanded their research to include more leadership behaviors (i.e., charismatic and participative) and more nations. The findings revealed that supportive, contingent reward, and charismatic leadership behaviors resulted in positive employee attitudes and behavior, whereas directive, participative, and contingent punishment behaviors yielded different results in different national contexts. For example, contingent punishment had a desirable effect only in the United States, with equivocal or undesirable effects in other nations. Directive leadership had no impact in the United States, Japan, and South Korea, whereas it had strong positive impacts in Taiwan and Mexico.

Other studies corroborate these findings. While contingent reward was found effective in all cultural contexts (Podsakoff, Dorfman, Howell, & Todor, 1986), contingent punishment was more effective in individualistic, rather than collectivistic cultures (Howell & Villa, 1994). Recently, Peng and Peterson (2008) tested the relationship between contingent leadership and subordinate performance in the United States and Japan and found that the relationship between contingent reward and subordinate performance was stronger in the United States than in Japan. Also,

subordinate performance was negatively related to noncontingent punishment, and this relationship was stronger in the United States than in Japan. In a study conducted in Hong Kong, directive leadership was found to enhance employee performance, morale, and satisfaction in large- compared with small-power-distance contexts (Fellows, Liu, & Fong, 2003). Leader participative behaviors were found to be counterproductive in Russia, a large-power-distance culture (e.g., Welsh, Luthans, & Sommer, 1993).

One of the reasons why participative behavior does not result in uniform employee reactions may be that the way in which participation is construed varies across national cultures. Sagie and Aycan (2003) analyzed the culture-specific construal of participation in decision making. For example, having asked employees' opinions despite the fact that the final decision is contrary to the one provided by the employees may be perceived as participative in large-power-distance cultures but as nonparticipative in small-power-distance cultures. Finally, one study examined the moderating role of national culture on the relationship between leadership and employee performance. In a study including 176 work units of a large U.S.-based multinational operating in 18 European and Asian countries (e.g., Australia, Belgium, Denmark, France, Turkey, Hong Kong, Japan), Newman and Nollen (1996) found that participative leadership practices improved the profitability of work units in small-power-distance nations but did not affect profitability in large-power-distance ones.

### *Leader-Member Exchange*

Studies testing the effect of high LMX have shown that it is also associated with positive employee attitudes in different cultural contexts. For example, LMX predicted positive evaluations of leadership in both India and the United States (Varma, Srinivas, & Stroh, 2005). While LMX was not related to perceived procedural justice in India, it was positively associated with job satisfaction in Colombia (Pillai, Scandura, & Williams, 1999).

### *Transformational Leadership*

Walumbwa and Lawler (2003) found that individual-level collectivism strengthened the effect of transformational leadership on job satisfaction, organizational attitudes, and turnover intentions. Walumbwa et al. (2005) also demonstrated that transformational leadership enhanced employee attitudes in situations with high rather than low follower efficacy beliefs (self- and collective efficacy) in China, India, and the United States. However, Pillai et al. (1999) reported that, unlike Western findings, transformational leadership was not associated with job satisfaction in India, Colombia, Saudi Arabia, and Jordan, whereas it was associated with perceived procedural justice in all nations included in this study. Elenkov and Manev (2005) showed that level of reported innovation in Russia was associated with charisma, demonstration of confidence, idealized influence, as well as active and passive management by exception, whereas in Sweden it was facilitated by inspirational motivation and intellectual stimulation. The counterintuitive findings

pertaining to the association between innovation and active and passive management by exception may be spurious because of the halo error. Similarly, Shin and Zhou (2003) found that transformational leadership enhanced creativity in followers, with high, rather than low, conservatism values in Korea.

In conclusion, while the culture-as-a-main effect perspective contributes to our understanding of the effect of culture on the enactment and prevalence of various leadership approaches, the culture-as-a-moderator perspective provides us with more detailed evidence about the *effectiveness* of these approaches. The underlying assumption in this approach is that leadership approaches that fit the cultural context will be effective. However, all these studies deal with settings in which leaders and followers are from the same nation. It may or may not prove advisable for expatriates to expect host country nationals to respond to their leadership in the same way that they respond to the leadership of conationals. Indeed, Peterson, Peng, & Smith (1999) showed that U.S. employees in a Japanese plant operating in the United States reacted differently to their American and Japanese supervisors. For the maintenance function, U.S. supervisors were perceived to be better leaders than Japanese expatriates. In contrast, Japanese expatriates were reported to display better leadership than their U.S. counterparts on the planning function. Employees working under American supervisors received higher performance ratings and displayed less quitting behavior than those working under Japanese supervisors.

## Culture as a Source of Meaning: The Case of Paternalistic Leadership

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Peterson and Hunt (1997) criticized the current state of cross-cultural leadership research for treating culture only as a predictor or moderator rather than as something that can also fundamentally shape the basic concepts and meanings of organizationally relevant behavior. In the Type III research paradigm, culture is treated as the source of emic meanings. Two types of research fit into this paradigm. In the first type, already discussed above, some leadership concepts are found in all national cultures but take on different local meanings. A good example would be participation. Sagie and Aycan (2003) argued that the meaning of participative decision making varies across national cultures. Explaining the underlying rationale behind a decision is considered participative leadership behavior in large-power-distance national cultures, while it is considered nonparticipative in small-power-distance national cultures. It is possible that any construct or its enactment can be defined in emic ways. For example, constructs such as participation or charisma may not only have emic or indigenous meanings but also may be expressed through emic behaviors that vary among national cultures.

The second type of cross-cultural research in this paradigm takes the view that there are culturally-specific or indigenous leadership approaches that are unique to some cultural contexts. In the past decade, a number of in-depth analyses of leadership have been conducted that take account of historical, religious, socio-political, and economic perspectives in nations including China (e.g., Cheung &

Chan, 2005), Norway (Larsen, 2003), Taiwan, Hong Kong, Singapore (Von Glinow, Huo, & Lowe, 1999), Russia (Puffer, 1997), and Greece (Bourantas & Papadakis, 1997). Two special issues of journals have also been devoted to the understanding of leadership in non-Western contexts (Kabasakal & Dastmalchian, 2001; Mobley, 2004; see also Smith, Chapter 19, for a discussion of some other little-studied indigenous constructs with relevance to leadership).

## Paternalistic Leadership

A recent focus of indigenous interest has been paternalistic leadership (PL), which is defined as a hierarchical relationship in which the leader guides subordinates in their professional and personal lives in a manner resembling a parent and, in exchange, expects loyalty and deference from the subordinates (Aycan, 2006). PL is common in Pacific Asia (e.g., China, Japan, Korea), India, the Middle East, Latin America, and Russia (see Aycan, 2006), and in Africa (Jackson, Amaeshi, & Yavuz, in press). It is rooted in the traditional values of familism as well as the fundamental principles of Confucian ideology and feudalism (Kim, 1994b). Paternalism can also be traced to early periods in American and European industrial history. The American mill owners of the 19th century and the bourgeois entrepreneurs of the early 20th century also cared about the physical, moral, and spiritual well-being of their workers and promoted their social and moral welfare (Kerfoot & Knights, 1993). However, these positive sentiments toward what has been referred to as the “industrial betterment” movement (Barley & Kunda, 1992) have received severe criticism because of their association with racism and worker exploitation in the United States and the United Kingdom (e.g., Abrahamson & Fairchild, 1999; Barley & Kunda, 1992; Newby, 1977).

Paternalism is a common and desired leadership style in collectivistic and large-power-distance national cultures, where superior-subordinate relationships are hierarchical, interdependent, and emotional in nature. There is less emphasis on individual privacy, self-reliance, and proactivity. Superiors are assumed to know what is good for their subordinates, and subordinates are, in return, expected to show loyalty, conformity, and deference *voluntarily*. In contrast, in individualistic and small-power-distance national cultures, paternalism either does not exist or is considered undesirable and ineffective. In such national cultures, characterized by values such as autonomy, privacy, individual accountability, self-reliance, proactivity, equality, reciprocity, and emotional neutrality, paternalism assumes a different meaning. Thus, different cultural contexts assign particular meanings to the construct. The meaning of paternalism changes so drastically across national cultures that it is almost impossible to quantitatively compare paternalism in, say, the United States and Korea.

The construct most similar to PL in the literature is Sinha’s (1995) nurturant-task (NT) leadership. Sinha’s seminal work is rooted in India’s large-power-distance and collectivistic cultural context. PL and NT are similar because the role of the leader in both constructs is to care for, guide, and nurture his or her employees in a manner reminiscent of a parent. However, the fundamental difference between

them is that paternalistic leaders expect loyalty and deference from subordinates in exchange for care and nurturance, whereas NT leaders expect high performance. In PL, the leader is caring and nurturing to those who are loyal, whereas in NT the leader responds in this way to those who are successful in delivering work outcomes. Misumi's (1985) measure of PM leadership in Japan also includes some items alluding to paternalism, such as "My immediate supervisor listens to subordinates' personal problems and offers advice."

Aycan's (2006) conceptualization of PL includes five dimensions capturing the nature of the relationship and expectations from superiors and subordinates. The first dimension concerns the creation of a family atmosphere at work. The leader treats the members of the organization like the members of one big family. The second dimension puts emphasis on establishing close and individualized relationships with subordinates. This dimension is similar to the "individualized consideration" dimension of transformational leadership. However, the difference is in the depth of knowledge about employees. Paternalistic leaders place importance on knowing all aspects of their employees' lives, including their private lives (e.g., family problems, personal values). Furthermore, they are involved in employees' nonwork lives. This is the third dimension of PL, which is one of its most distinctive characteristics. Paternalistic leaders are expected to be involved in the nonwork lives of employees; for example, they attend their weddings and funerals and attempt to resolve difficulties in their private lives, such as marital problems.

The last two dimensions of PL concern the leader's expectations of subordinates. The leader expects loyalty (e.g., a paternalistic leader places more importance on loyalty than on performance in evaluating employees) and deference from subordinates (e.g., a paternalistic leader believes that he or she knows what is best for his or her employees). Deference requires that subordinates are aware that status differences between them and the leader should be maintained and that the superior's authority cannot be questioned.

PL questionnaires have been developed and validated by Aycan (Aycan, 2006; Aycan et al., 2000) and by Cheng and colleagues (Cheng, Chou, Wu, Huang, & Farh, 2004; Cheng & Jiang, 2000). Aycan's (2006) 21-item measure captures the five dimensions of PL described above. While developing items for her Paternalistic Leadership Questionnaire (PLQ), two criteria had to be met. First, the items had to tap the *unique* characteristics of PL as it occurs in large-power-distance, collectivistic national cultures rather than characteristics that are also tapped by other measures, notably by measures of transformational or authoritarian leadership. Second, the items had to describe observable behaviors rather than intentions or motives. Cheng et al.'s (2004) 28-item PL measure combines three types of leadership—namely, benevolent leadership, moral leadership, and authoritarian leadership.

Although the two PL scales comprise different dimensions and items, both have been shown to predict positive employee attitudes in collectivistic and large-power-distance national cultures. For example, Aycan (2006) reported that PL predicted high affective commitment, high supervisory satisfaction, and low turnover intention for employees in Turkey equally strongly as did transformational leadership. Pellegrini and Scandura (2006) found that the PLQ was associated with LMX and high job satisfaction. Cheng et al. (2004) showed that each of their three elements

of PL had positive relationships with subordinate responses in China, including feelings of gratitude and repayment to the leader, identification with the leader, and compliance to the leader's wishes.

## Conclusions and Future Research Directions

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One of the most debated issues in this field has been whether or not there are universals in leadership phenomena. Are there universally endorsed traits and behaviors of successful leaders or culturally specific attributes and behaviors that are effective only in certain cultural contexts? This question in its generic sense is not new to the leadership literature. Contingency theories of leadership have long asserted that leadership effectiveness is contingent on situational demands including task and employee characteristics. Viewed through a cross-cultural lens, one of the main situational constraints is cultural context. Based on the framework of Lonner (1980), Bass (1997) described five types of universals.

The first is called a "simple universal," which is a phenomenon that is constant around the globe. When human groups come together, leaders have emerged in all national cultures throughout history. This is a simple universal. The second type, a "variform universal," occurs when a general principle holds across national cultures but the form or enactment of this principle varies across national cultures. Organizations are usually headed by a single executive officer or managing director, but in some cases the leadership role is shared by technical and commercial specialists (Bass, 1997, p. 131). The third type of universal is a "functional universal," in which the relationship between variables (e.g., laissez-faire leadership and perceived ineffectiveness) is universal. "Variform functional universals" occur when the relationship between variables is always found but the magnitude or direction may change depending on the cultural context. Finally, the "systematic behavioral universal" is a principle that explains "if-then" outcomes across national cultures and organizations. According to Bass (1997), research into transactional and transformational leadership provides a good example for this type of universal: "The model and the theory underlying it are systematically universal, although they include variform and variform functional universals" (p. 132). Theories of systematic behavioral universals claim that the structure of a phenomenon is invariant across national cultures, such as the universality of the two-factor model differentiating transactional leaders from transformational ones. Furthermore, the sequence of behavior is claimed to be universal. Bass and Avolio (1993) concluded that the hierarchy of correlations among various leadership styles and outcomes is universal, such that transformational leadership is perceived to be the most effective, followed by contingent reward, active management by exception, passive management by exception, and laissez-faire leadership as the least effective in all the nations studied.

Dickson, Den Hartog, and Mitchelson (2003) reported a decline in the volume of research setting out to identify simple universals. Research into culture as a moderator favors conclusions supporting variform universality or variform functional universality. These authors claim that variform and variform functional universals can be simultaneously "universal" and "culture specific" in predictable ways, as soon

as variations in the enactment of a common characteristic (e.g., charisma) or the strength of a common relationship has been determined by measurable characteristics of national cultures (i.e., dimensions such as power distance). One of the best examples of this would be the findings of the GLOBE project. In all the 62 nations studied, charisma/value-based leadership was found to be universally endorsed as contributing to effectiveness. However, universal endorsement of an attribute does not preclude differences in its enactment (Koopman et al., 1999). Indeed, using qualitative data, Den Hartog et al. (1999) showed that the attribution of charisma in different national cultures is associated with different behavioral manifestations. As Dickson et al. (2003) noted, the next step for cross-cultural researchers should be to identify systematic variations in the enactment of universally endorsed attributes or relationships that can be explained in terms of dimensions of national culture. For example, future research should be able to demonstrate that enactment of charismatic leadership is related to showing power and authority in large-power-distance nations, whereas it is related to participation and consensus building in small-power-distance nations.

Future research should also question the assumptions of theories that imply that the most effective leadership is always that which best fits the cultural context. For example, it is quite possible that host country nationals expect expatriates to display a different leadership style so that they will have the opportunity to learn from them. Future research should examine the effectiveness of culture-fit theories. In this regard, a distinction should be made between “prevailing” and “effective” leadership. For example, PL is the prevailing leadership style in large-power-distance and collectivistic national cultures, but it may not be the most effective approach for employee and organizational outcomes. Prevailing leadership approaches probably increase leader acceptance but not necessarily leader effectiveness in delivering important work outcomes, such as performance and innovation.

Related to this point is the question of how best to fill the gap between actual and ideal leadership. Participative leadership may not be common in hierarchical cultures (national or organizational), but it may be desired by employees. In this case, what would be the change process or training intervention to facilitate the transfer from “as is” leadership (e.g., authoritarian) to “should be” (e.g., participative)? It appears that cross-cultural leadership will continue to be a popular topic, and there are numerous exciting avenues for researchers to take.