CROSS-CULTURAL INTERACTIONS AND LEADERSHIP BEHAVIOUR

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ABSTRACT

Globalization has created the need for leaders to become competent in cross-cultural awareness and practice. Culture is dynamic and transmitted to others. Adler and Bartholomew (1992) contend that global leaders need to develop five cross-cultural competencies. In short, culture is the way of life, customs, and script of a group of people (Gudykunst & Ting-Toomey, 1988). A culture provides people with a set of values and assumptive beliefs as well as implicit inferences about how the world operates, which enable them to find meaning in and make sense of the events of their lives (Janof –Bulman 1989; Lakoff and Johnson 1980).

There are two concepts which are closely related to culture and leadership: ethnocentrism and prejudice and have an impact on how leaders influence others. Hofstede identified five major dimensions on which cultures differ: power distance, uncertainty avoidance, individualism–collectivism, masculinity–femininity, and long-term–short-term orientation. Business Culture differs from country to country. Even according to implicit leadership theory, individuals have implicit beliefs and convictions about the attributes and beliefs that distinguish leaders from non-leaders and effective leaders from ineffective leaders. From the perspective of this theory, leadership is in the eye of the beholder (Dorfman, Hanges, & Brodbeck, 2004). House & Javidan (2004) identified six global leadership behaviors: charismatic/ value based, team oriented, participative, humane oriented, autonomous, and self-protective.

Keywords: Behaviour, Culture, Globalization, and Leadership.
Introduction:

Research oriented to the unified cooperation between managers and other workers in organisations, the people coming from different cultures and the struggles to understand the similarities and differences between one another have rapidly increased (Iles, 1995; Spector et al., 2001; Smith et al., 2002; Chang, 2002). On the basis of this development, the fact that the world market is integrating through globalisation and the facts that multinational corporations are becoming commonplace (Bhadury et al., 2000) are some of the underlying reasons. As the world is shrinking through globalisation, more and more people live and work in foreign countries and thus they continually come into contact with the people coming from very diversified cultural origins, involving language, norms, lifestyle, etc. (Zakaria, 2000; Montagliani and Giacalone, 1998).

Appelbaum et al. (1998) draw attention to the fact that with the globalisation of trade and the advancement of technology, diverse task groups will become more common. Increased globalization has created many challenges, including the need to design effective multinational organizations, to identify and select appropriate leaders for these entities, and to manage organizations with culturally diverse employees (House & Javidan, 2004). Improvement and management of the people on a global scale inevitably requires dealing with cultural diversity and the problems regarding this — matters of motivation, leadership, productivity, authority, etc. (Higgs, 1996; Selmer, 2002).

Globalization has created a need to understand how cultural differences affect leadership performance. Globalization has also created the need for leaders to become competent in cross-cultural awareness and practice. Adler and Bartholomew (1992) contend that global leaders need to develop five cross-cultural competencies. First, leaders need to understand business, political, and cultural environments worldwide. Second, they need to learn the perspectives, tastes, trends, and technologies of many other cultures. Third, they need to be able to work simultaneously with people from many cultures. Fourth, leaders must be able to adapt to living and communicating in other cultures. Fifth, they need to learn to relate to people from other cultures from a position of equality rather than cultural superiority. Additionally, Ting-Toomey (1999) believes that global leaders need to be skilled in creating transcultural visions. They need to develop communication competencies that will enable them to articulate and implement their vision in a diverse workplace. In sum, today’s leaders need to acquire a challenging set of competencies if they intend to be effective in present-day global societies.

Culture Defined:

Anthropologists, sociologists, and many others have debated the meaning of the word culture. Because it is an abstract term, it is hard to define, and different people often define it in dissimilar ways. For our purposes, culture is defined as the learned beliefs, values, rules, norms, symbols, and traditions that are common to a group of people. It is these shared qualities of a group that make them unique. Culture is dynamic and transmitted to others. In short, culture is the way of life, customs, and script of a group of people (Gudykunst & Ting-Toomey, 1988).

A culture provides people with a set of values and assumptive beliefs as well as implicit inferences about how the world operates, which enable them to find meaning in and make sense of the events of their lives (Janof –Bulman 1989; Lakoff and Johnson 1980). Culture provides an understanding to leader about purposive behavior, which requires an understanding of the cultural “language” in which it occurs (Sing Kavita, 2010). There are over 160 definitions of the culture alone as documented by Kroeber (1985). Basically the characteristics of culture are identical in almost all the instances. Hofstede (1991), and Trompenaars (1993), agreed that culture is based on languages, economy, religion, policies, social institutions, class, values, status, attitudes, manners, customs, material items, aesthetics and education, which subsequently influences managerial values. Berthon (1993) views culture as the results of the human actions and shows the link between the ideas of mental programming and the consequence of
behaviour derived from this.

Related to culture are the terms multicultural and diversity. Multicultural implies an approach or system that takes more than one culture into account. It refers to the existence of multiple cultures such as African, American, Asian, European, and Middle Eastern. Multicultural can also refer to a set of subcultures defined by race, gender, ethnicity, sexual orientation, and age. Diversity refers to the existence of different cultures or ethnicities within a group or organization.

Conceptual Framework:

Before beginning our discussion of the various facets of culture, this section describes two concepts that are closely related to culture and leadership: ethnocentrism and prejudice. Both of these tendencies can have an impact on how leaders influence others.

Ethnocentrism:

As the word suggests, ethnocentrism is the tendency for individuals to place their own group (ethnic, racial, or cultural) at the center of their observations of others and the world. Ethnocentrism is the perception that one’s own culture is better or more natural than the culture of others. Ethnocentrism is like a perceptual window through which people from one culture make subjective or critical evaluations of people from another culture (Porter & Samovar, 1997). It may include the failure to recognize the unique perspectives of others. Ethnocentrism is a universal tendency, and each of us is ethnocentric to some degree. Ethnocentrism accounts for our tendency to think our own cultural values and ways of doing things are right and natural (Gudykunst & Kim, 1997). Ethnocentrism can be a major obstacle to effective leadership because it prevents people from fully understanding or respecting the world of others. The more ethnocentric we are, the less open or tolerant we are of other people’s cultural traditions or practices.

Prejudice:

Closely related to ethnocentrism is prejudice. Prejudice is a largely fixed attitude, belief, or emotion held by an individual about another individual or group that is based on faulty or unsubstantiated data. It refers to judgments about others based on previous decisions or experiences. Prejudice involves inflexible generalizations that are resistant to change or evidence to the contrary (Ponterotto & Pedersen, 1993). Prejudice often is thought of in the context of race (e.g., European American versus African American), but it also applies in areas such as sexism, ageism, homophobia, and other independent prejudices. Although prejudice can be positive (e.g., thinking highly of another culture without sufficient evidence), it is usually negative.

As with ethnocentrism, we all hold prejudices to some degree. Sometimes our prejudices allow us to keep our partially fixed attitudes undisturbed and constant. In addition, prejudice can reduce our anxiety because it gives us a familiar way to structure our observations of others. One of the main problems with prejudice is that it is self-oriented rather than other-oriented. It helps us to achieve balance for ourselves at the expense of others. Prejudice often shows itself in crude or demeaning comments that people make about others. Both ethnocentrism and prejudice interfere with our ability to understand and appreciate the human experience of others.

Cultural Dimensions:

Culture has been the focus of many studies across a variety of disciplines. In the past, a substantial number of studies have focused specifically on ways to identify and classify the various dimensions of culture. Determining the basic dimensions or characteristics of different cultures is the first step in being able to understand the relationships between them.
In the 1970s Hofstede (1991) developed four dimensions of culture based on an extensive survey conducted among IBM managers in over 50 countries for work values and subsequently developed those dimensions of culture compatible in a sense to the business practices. Later, his work was rightly validated by Hoppe (1990) and Smith (1994), who accepted the overall implication of Hofstede’s cultural model and its influence in global scale. Later Potter (1994) developed a model of self-concept based on Dilts’ unified field model of NLP (O’Connor and Seymour, 1990) to elucidate the deep-rooted nature of cultural elements. This illustrates people’s acceptance to integrate others’ value and cultures not only in sociopolitical dimensions but how these integrations works in global business as well.

Like Hofstede, Trompenaars (1993) also proposed a model for corporate cultures and values establishing that cross-cultural practices can generate more strategic options. Along the line Wood (1997) proposed a cultural model to explain the co-relation between the cultures, ideology and personality influencing business practices. His model explains the significance of managerial value within cross-cultural practices. This entails the characteristics of culture essentially lead to managerial values through various business processes.

Several well-known studies have addressed the question of how to characterize cultures. For example, Hall (1976) reported that a primary characteristic of cultures is the degree to which they are focused on the individual (individualistic cultures) or on the group (collectivistic cultures). Taking a different approach, Trompenaars (1994) surveyed more than 15,000 people in 47 different countries and determined that organizational cultures could be classified effectively into two dimensions: egalitarian versus hierarchical and person versus task orientation. The egalitarian–hierarchical dimension refers to the degree to which cultures exhibit shared power as opposed to hierarchical power. Person–task orientation refers to the extent to which cultures emphasize human interaction as opposed to focusing on tasks to accomplish.

Of all the research on dimensions of culture, perhaps the most referenced is the research of Hofstede (1980, 2001). Hofstede identified five major dimensions on which cultures differ: power distance, uncertainty avoidance, individualism–collectivism, masculinity–femininity, and long-term–short-term orientation. Hofstede’s work has been the benchmark for much of the research on world cultures. In the specific area of culture and leadership, the studies by House et al. (2004) offer the strongest relationship between culture and leadership.

- **Uncertainty Avoidance:** This dimension refers to the extent to which a society, organization, or group relies on established social norms, rituals, and procedures to avoid uncertainty. Uncertainty avoidance is concerned with the way cultures use rules, structures, and laws to make things predictable and less uncertain.
- **Power Distance:** This dimension refers to the degree to which members of a group expect and agree that power should be shared unequally. Power distance is concerned with the way cultures are stratified, thus creating levels between people based on power, authority, prestige, status, wealth, and material possessions.
- **Institutional Collectivism:** This dimension describes the degree to which an organization or society encourages institutional or societal collective action. Institutional collectivism is concerned with whether cultures identify with broader societal interests rather than individual goals and accomplishments.
- **In-Group Collectivism:** This dimension refers to the degree to which people express pride, loyalty, and cohesiveness in their organizations or families. In-group collectivism is concerned with the extent to which people are devoted to their organizations or families.
- **Gender Egalitarianism:** This dimension measures the degree to which an organization or society minimizes gender role differences and promotes gender equality. Gender egalitarianism is concerned with how much societies de-emphasize members’ biological sex in determining the roles that members play in their homes, organizations, and communities.
• **Assertiveness:**- This dimension refers to the degree to which people in a culture are determined, assertive, confrontational, and aggressive in their social relationships. Assertiveness is concerned with how much a culture or society encourages people to be forceful, aggressive, and tough, as opposed to timid, submissive, and tender in social relationships.

• **Future Orientation:**- This concept refers to the extent to which people engage in future oriented behaviors such as planning, investing in the future, and delaying gratification. Future orientation emphasizes that people in a culture prepare for the future as opposed to enjoying the present and being spontaneous.

• **Performance Orientation:**- This dimension describes the extent to which an organization or society encourages and rewards group members for improved performance and excellence. Performance orientation is concerned with whether people in a culture are rewarded for setting challenging goals and meeting them.

• **Humane Orientation:**- The ninth dimension refers to the degree to which a culture encourages and rewards people for being fair, altruistic, generous, caring, and kind to others. Humane orientation is concerned with how much a society or organization emphasizes sensitivity to others, social support, and community values.

**Culture In Business: Profile of Different Countries:**

Terry (1979) surveyed English cultural values and attitudes identifying 13 significant English characteristics and later Tayeb (1984) also identified specific cultural traits that, he argued, highly influence English business climate. The characteristics are individualism, deference and inequality, self-control and reserve, conservatism, xenophobia, honesty and trust, liberty and class-consciousness. Nonetheless, Trans-Atlantic countries harbour different cultures, ethnic groups and cross boundaries influences. The rich mix of their culture does not create barriers against business expansion; rather, they have created a homogeneous business culture traditionally taking it for granted (Hall and Hall, 1989). In this context, Bloom (1987) finds that Americans show distinct cultural dimensions in business, like ethno-centricism, i.e. do

One thing at a time, keeping distance/space, higher education as changing social index, highly mobile, challenge as work ethics, direct communication, spirited individualism, political control is disparaged but seek active political form, shared philosophy and beliefs etc..

Whereas French business culture is somehow up front and differentiated. Eggers (1977) observes that French business people think in a complicated way, innately suspicious of small things, never forget business process, have strong reservations, believe in small package in the workplace, love economic prosperities, do not like mechanical approaches, flexible and less attached to specific business, very polite, very, very rude, loyal in time. Campbell and Warner (1993) found German culture and people are collective in nature, love traditional backups, do not like accosted overtures, pragmatic in approach, highly differentiated by Anglo-Saxon traditions, advanced in technology and technological application, they follow assimilation of managerial ethics in work, specification of subjects, strong authority, self-sufficiency, cross-floor training oriented, although they are xenophobic, they follow logical interpretation in terms of cultural acceptance. The same way they also conduct their business in reality.

But Asian business culture is different from the rest of the world. China, as the third largest consumer economy in the world (Davies, 1998), is witnessing a radical metamorphosis of cultural values and business practices. Ralston (1999) has undertaken a study of new generation Chinese managers basing upon individualism, collectivism and long orientation Confucianism. He discovered that they are self-sufficient, individually accomplished, more theoretical, non-empirical, globally conscious, some still believe in Confucian value, love to be incentivised, multi-capitalism supporters,
relatively open and reflect social reforms, still adhere to some traditional meanings of business.

India has one of the best emerging economies of the world, having a strong capacity of best professionals quite advanced in Information Technology. Recently, India is also passing through a transition of change. Indian business climate is now buoyant and the business values, ethics and practices are more open in nature. Tayeb (1987) in his comparative study of British and Indian organisational structure found some specific business practices among the Indian managers, such as high emotional power and pressure group scared, obedient to seniors, dependent, fatalist, reserved, community oriented, collective responsibility, more friendly, less tenacious, clan superiority, class consciousness, law abiding, sensitive, traditional vs. modernists and flexible.

**Culture And Leadership Behavior:**

In one stream, there are writers (e.g. Cox and Blake; Mandrell and Kohler-Gray) arguing that a culturally mixed workforce holds a potential competitive advantage for organisations. According to the defenders of this view, cultural diversity and a multicultural structure are the facts that are definitely to be backed up for the organisations of our day which target high performance (Dadfar and Gustavsson, 1992). For instance, Iles and Hayers (1997) signify that many organisations believe they can increase their flexibility and responsiveness in globally competitive market environments through deployment of transnational project teams.

But contrary Sing, Kavita (2010) described in his book that Individual’s goals, preferences, and behaviors may be seen to emanate from the social roles that they are actually given from as a function of individuals and their cultural values and beliefs about appropriate roles. She explained that people tend to be feel comfortable with people whom they perceive to be similar to themselves. A group which comprises of culturally diverse individuals generally gets isolated in a homogeneous organization. The exclusion of the talented members from the activities of the group can result in reduced performance and efficiency of the group. This alienation can also result in high employee dissatisfaction, thus leading to high employee turnover. Because of the different style of working and learning of these employees, leaders may sometimes consider these employees to be misfit for the organization. However, if a manager is able to recognize and value these differences, it can enhance the productivity of the organization.

Even in your own country, you are going to find yourself working with bosses, peers, and other employees who were born and raised in different culture. What motivates you may not motivate them. Or your style of communication may be straightforward and open, but they may find this approach uncomfortable and threatening. To work effectively with these people, leader/manager will need to understand how their culture, geography, and religion have shaped them, and how to adapt your management style to their differences. (Robbins, Stephen P., 2005). So a leader has to adopt a number of techniques of dealing with culturally diverse work group, e.g. contact, super ordinate goals, and blending of categories and functions.

Even effective communication is difficult under the best of conditions. Cross-cultural factors clearly create the potential for increased communication problems (Robbins, Stephen P., 2005). Achieving efficiency at workplace through effective communication in a homogeneous organization is a difficult task. This task becomes more difficult when an organization includes employees of diverse cultural backgrounds. The greater the differences between the backgrounds of the sender and receiver, the greater will be the difficulty in interpreting each other’s words and behaviours. It is inappropriate to assume by leader that a particular way of working or style of communication would be acceptable in all cultures. An American might be shocked if not a single person shows himself in the office at 7:30 a.m. for a meeting, and an Indian will be surprised to see the Americans having dinner at 6:00 p.m. In a multicultural environment, managers have to be sensitive to a number of factors which influence the process of communication. Here, the use of categories and stereotypes
can cause significant misunderstandings (Adler 1997).

The conceptualization of leadership was derived in part from the work of Lord and Maher (1991) on implicit leadership theory. According to implicit leadership theory, individuals have implicit beliefs and convictions about the attributes and beliefs that distinguish leaders from non-leaders and effective leaders from ineffective leaders. From the perspective of this theory, leadership is in the eye of the beholder (Dorfman, Hanges, & Brodbeck, 2004). Leadership refers to what people see in others when they are exhibiting leadership behaviors.

To describe how different cultures view leadership behaviors in others, House & Javidan (2004) identified six global leadership behaviors:

- **Charismatic/value-based leadership** reflects the ability to inspire, to motivate, and to expect high performance from others based on strongly held core values. This kind of leadership includes being visionary, inspirational, self-sacrificing, trustworthy, decisive, and performance oriented.

- **Team-oriented leadership** emphasizes team building and a common purpose among team members. This kind of leadership includes being collaborative, integrative, diplomatic, non-malevolent, and administratively competent.

- **Participative leadership** reflects the degree to which leaders involve others in making and implementing decisions. It includes being participative and non-autocratic.

- **Humane-oriented leadership** emphasizes being supportive, considerate, compassionate, and generous. This type of leadership includes modesty and sensitivity to people.

- **Autonomous leadership** refers to independent and individualistic leadership, which includes being autonomous and unique.

- **Self-protective leadership** reflects behaviors that ensure the safety and security of the leader and the group. It includes leadership that is self-centered, status conscious, conflict inducing, face saving, and procedural.

**Summary:**

Since World War II there has been a dramatic increase in globalization throughout the world. Globalization has created a need for leaders with greater understanding of cultural differences and increased competencies in cross-cultural communication and practice. Culture is defined as the commonly shared beliefs, values, and norms of a group of people. Two factors that can inhibit cultural awareness are ethnocentrism and prejudice. In the past 30 years, many studies have focused on identifying various dimensions of culture. The best known is the work of Hofstede (1980, 2001), who identified five major dimensions: power distance, uncertainty avoidance, individualism–collectivism, masculinity–femininity, and long-term–short-term orientation. Expanding on Hofstede’s work, House and his colleagues (2004) delineated additional dimensions of culture such as ingroup collectivism, institutional collectivism, future orientation, assertiveness, performance orientation, and humane orientation.

In addition, House & Javidan (2004) identified six global leadership behaviors that could be used to characterize how different cultural groups view leadership: charismatic/value-based, team-oriented, participative, humane-oriented, autonomous, and self-protective leadership. The portrait of an ineffective leader is someone who is asocial, malevolent, self-focused, and autocratic.
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