A Review of Culture and Leadership in Cross-Cultural Context: Linking Hofstede's Theory

Choo Eern Yie

School of Marketing and Management, Taylor's University, Subang Jaya, Malaysia

Author's Mail Id: Choo Eern Yie, yie793@gmail.com

Abstract— This article discuss the leadership research in an international context. In particular, this article focus on leadership cultural-specific in most of the developing countries. A clear and balanced synthesis of existing academic research done in the area in terms of both theoretical foundation and empirical findings are provided in this article. The article also critically evaluate the existing studies and highlight their relationships, strengths and weaknesses. The knowledge gap in the existing literature are also being addressed and identified. Specific directions for future research is suggested near the end of the article.

Keywords— Cross-cultural management, leadership, Hofstede, power distance, individualism

I. INTRODUCTION

In the globalization processes over the years, culture changes people's perception of the world. Starting from Reference [1] studies on cultural, many cultural studies from various researches had tried to bridge culture and leadership. It has become an axiom among thousand international researchers that effective leadership processes must reflect the culture which they had been discovered [2]. A number of reviews were selected from different studies to compare and to identify relationships or disagreements that appear in the context of multiple studies under similar topic. The main purpose is to provide an overall of the relation between leadership and culture across different countries.

By giving a definition, Culture is a mind's collective programming which distinguishes a category or another group of people [3]. Concerning the Hofstede's studies, different eras created different meaning, hence hardly to reach a deeper perception of culture. As a consequence of globalization, cultures is a key role in the definition of leadership, defined as ability to motivate and influence others to contribute to success of their organization [4]. This points of view explained that one of the issues for a leader is culture and how cultural aspects are managed in order for the success in leading a firm.

II. LITERATURE REVIEW

Power Distance dimension

Understanding a culture is an important step to understand the real effects of a leadership approach. Indeed, the importance of it has become clearly over decades and an increasing number of researchers are discussing the interconnection between culture and leadership [5], [6], [7], [8]. Based on [9] cultural dimension, Reference [10] has revealed different leadership profiles developed for specific cultures. According to [6], his studies describe of how leadership typically manifests itself where degree of power distance can be compare by countries' rank on culture dimension level. However another critical question, ignored by Baumgartner, but pursued by many researches, argued that national culture is a major determinant of leadership. A study by [11] shows high power distance degree reflected in Iran's societal practices, where employees question the ideas of top position is unacceptable.

Another possible explanation lies in the work of [12] demonstrate that high power distance country prefer autocratic leadership. In [7] view, Russian employees in such culture lost motivation to commence on new ideas because less challenging on position of power. As a result, many studies advised not to break the status quo as this may cause unbalance of power. As explained earlier, this dimension reflect an attitude that subordinates must accept and follow orders without deserve any recognition [13]. Middle-East's top level make decisions without much participation from their employees [11]. Following work by [14], argued that South-East country such as Thailand do have hierarchical and status differentials. This approach also present in Taiwan and Indonesia [15], where Indonesian leaders are expected to be respect and appreciate by people. This showed earlier that Asian leaders have a tendency to maintain social distance within followers especially for China [16], Malaysia [5] and also happen in Japan [17]. Consistent with this, [17] notes the opposite ways of leaders position in the United States, where a leader who listen carefully on workers' say is valued. Reference [18] outlined that management practices of African's leaders frequently engaged more on person

privileges. In another explain, they value power by seeing organization's position as personal fiefdoms.

Uncertainty Avoidance dimension
Despite the existence of across the national cultural differences which identified by [9], many researches have attempted to explain the often complex interplay of uncertainty avoidance [19], [20], [21]. By identifying the culture difference is believe to be important, because [22] work argued that high uncertainty avoidance cultures emphasize rules and procedure to avoid risk where as low degree is about challenging existing rules and consistent for high inclination for risk taking. Specifically, research studies have reported majority of Finnish leaders think more traditional and stiffer than Swedish, where they often bear responsibility after a decision made. Prior research has revealed that low uncertainty avoidance cause Swedes less calculating when taking risk, they try to avoid conflicts and to them is important to agree on all matter to be decided. For example, Reference [23] found that Sweden express uncertainty reduction as they believe no strict rules and more relaxed in the face of ambiguity.

On the other hand, high uncertainty avoidance culture found in [18] study, African organizations has low score tolerance for ambiguity and uncertainty, hence leader is more rule-oriented in this culture which emphasizes controls and rules to minimize the amount of conflict and uncertainty. Research has revealed in this culture that less willingness to try something different, whether it pertains to business, product or technology. This can be seen in New Zealand's managers are more conservative perspective, the feeling of stress and anxiety when they face ambiguity attributes consistent with high degree level of uncertainty avoidance [24]. Similarly, in a study conducted in Germany [25], managers plan more in details and carefully calculated for lesser risk. To extend the explanation, reference [26] strong emphasis that organization structure provide legitimacy as it relies on rules and detailed controls are more likely to conform to the societal norms. Despite these similarities across countries, reference [27] also outlined Chinese managers preferred an avoiding style and low openness to change. For example, China's leaders tend to provide clear directions to followers in order to reduce uncertainty regarding work expectations. However, readers should note that, middle-east country such as Iran reported low uncertainty avoidance practices. Despite strong authoritarian controls, Iranian's organization lack rule orientation due to often changing and unclear rules. Leaders accept risks and are more tolerant of different behaviour and opinions [11].

Individualism versus Collectivism dimension
In another explain of how leadership are influenced by culture, found evidence that individual-collective dimension by [1] model can used to measure. The individualist people's culture is caring about their personal interests rather than group interests. According to [25] study, reported that German style of capitalism with its

emphasis on individual achievement. As such, leaders value their followers for their unique ability and followers are not emotionally dependent on the firm. This contention was supported in individualistic culture. Similarly, employing the same culture, [14] also found no differences on U.S.'s leadership. Clearly, the U.S was more vertically oriented where leaders discussed frequently the importance of achieving goals and highly evaluated achievement values. Thus, researches argued that leaders tend to put more emphasis on coercive power. In extend on generalizability of leadership findings from reference [24], reported Australia ranks as a highly individualistic country, where powerful influence of culture on leader's behaviour to be more socially orientated. It can be supported that society prefer not to be tied down by over-administered rules and procedures.

In the comprehensive review for most of the studies, concluded that countries culture will determine the favourable leadership profile for that nation. As such, reference [28] findings suggest that collective interests are preferable even if individual goals suffer, where evidence found on Georgia emphasis on collective leadership. In addition, reference [24] studies support the existence of a collective dimension in New Zealand's leadership, the effective leader place emphasis on motivating and inspiring. However, for Egypt as collectivist society, reference [29] shows evidence leaders emphasize more informal contact with fellow workers. There is a scarce knowledge on culture and leadership practice in Italy from [27] studies, found unity and selflessness are a key traits being high collectivism. Reference [15] takes a slightly different approach to this, by describe the extent of collectivism, employees might strive to sacrifice own happiness for the greater good of the group. However, it was interesting to know that Africa, in [18] view, describes collectivism with exhibit high levels of loyalty. The principal purpose is to serve as a buffer for the supervisors. He argue if mistake happen, the loyal subordinate will blame himself and others. To test these assumptions, reference [29] manipulated the two level and found out group feedback was critical for collectivists whereas independence is highly valued on the opposite side.

III. STRUCTURE AND RESEARCH GAP

To highlight a reflection, this literature review indicate the leadership is strongly influenced by the local's society habits and culture. It can therefore, many of the researchers argued that, in order to supervise a firm, leaders are necessary need to learn about the local culture, for effectively on applying an efficient style of leadership in line with the local context. In each of every research on dimension of culture, perhaps only Hofstede's study is the most referenced [1]. The idea behind of most studies is that every single countries have the same issues, but differing solutions appeared within country to country. For example, leadership research done by [30] has tried to capture the general way of a manager practices leadership by examining the nation culture. Despite the differences

findings, it had make it clear to all reader that leadership models in Australia and New Zealand are slightly differences in many ways.

In a long run, the discussion in this article has been on both conceptual and research based. One limitations can be seen in the approach is that several essential cultural differences may have been differences and also overlooked emerge in the empirical study. Studies conducted by [15] indicate that cultural dimension is more influential in workplaces. Related to this, readers might also expect similarities in leadership styles. However, little distinctions between cultural values may provide the rising on important differences of leadership style or follower feedback.

In addition, some research gap visible in many of researches' review, where the danger idea of assumed the Western leadership may work in different cultures. Mostly authors had fail to highlight the issue because they are more focusing their arguments on all-western countries as a same culture. Leadership concepts do have similarities at the surface level. However, the differences become evident when readers seek to dig more in-depth understand on culture of how leadership being practiced.

In future research, the Hofstede's framework has been a benchmark for most of the research on world cultures. Readers are not able to get a wider view perspective of this topic 'Culture and Leadership', as it is narrowed into only one model framework. Therefore, other model such as seven dimension of Trempenaar's framework is also applicable to explain the relationship between leadership and culture.

IV. SUGGESTION FOR FUTURE RESEARCH

Clearly, not every leadership model is universal panacea. Although researches' studies hypothesized emic dimensions based on cultural research, the results have been interpreted as post hoc justification. Therefore, some models that analysed had recognized by them may not be one and only to fit the data. Hence, suggestion for further research is needed either updating measures of Hofstede's dimensions or looking for alternative procedure to understand and confirm existence of these factors within country.

Following, the questionnaire used by many authors tends to treat both leadership and culture in overly objectivist and minimalist way, limiting the reader's understanding of the fluid and complex nature of cultural contexts. Those analysis unable to inform the readers whether the emic differences identified between nations are dynamic or static. If the domain establish could defined the terms of elements is needed to cut within cultural factors, the analyses of moderation represent previously could be even more stronger in assessing cultures' differences and similarities, example on Asian and non-Asian countries. Thus, scholars are encouraged to use multi-culture samples when generate new scales, and also to avoid all formation

of theories and measurement for one nation. Consistent with this, the future scale development efforts should include samples from various nations whenever possible.

Nevertheless, a lot valuable arguments put forward by some scholars, where mostly every definitions of leadership given and existing description are differed in content and wording. Yet, the studies' analyses also found similarities within the meaning and details of leadership that reflect the significance contexts on a participant's perception of leadership. One of the ways these scholars could broaden up their scope is putting forward arguments by looking outsiders' perspective on define meaning of the topic. Most of the scholars addressed only the influence of national culture. Hence, improvement can be done by including a broader array of political or economic variables into the research.

REFERENCES

[1] Hofstede, G, "Culture and organizations," *International Studies of Management & Organization*, **Vol 10 Issue 4, pp.15-41, 1980.**

[2] Hanges, P. J., Dorfman, P. W., Shteynberg, G., and Bates, A. L, "Culture and leadership: A connectionist information processing model," *Advances in global leadership*, **Vol 4, pp.7-37, 2006.**

[3] Triandis, H. C, "The many dimensions of culture," *Academy of Management Perspectives*, *18*(1), **pp.88-93, 2004.**

[4] Goleman, D, "Leadership that gets results," *Harvard business review*, **Vol 78 Issue 2, pp.4-17, 2000.**

[5] Kennedy, J., & Mansor, N, "Malaysian culture and the leadership of organizations: A GLOBE study," *Malaysian management review*, **Vol 35 Issue 2, pp.44-53, 2000.**

[6] Baumgartner, E, "Culture and leadership, across the world: The GLOBE book of in-depth studies of 25 Societies," [review] Chhokar, J.S, Brobdeck, F.C, & House, R.J. *Journal of Applied Christian Leadership*, **Vol 3 Issue 2, pp,56-62, 2009.**

[7] Dorfman, P., Javidan, M., Hanges, P., Dastmalchian, A., and House, R, "GLOBE: A twenty year journey into the intriguing world of culture and leadership," *Journal of World Business*, **Vol 47 Issue 4, pp.504-518, 2012.**

[8] Alhaji, M. M, "Organizational Culture, Leadership Styles and Organizational Performance: A Literature," *Department of Business Administration*, *1*, **pp.2-7, 2018.**

[9] Hofstede, G, "Culture's Consequences: Comparing Values, Behaviors, Institutions and Organizations across Nations," Thousand Oaks, CA: Sage (co-published in the PRC as Vol. 10 in the Shanghai Foreign Language Education Press SFLEP Intercultural Communication Reference Series, 2008), **2001.**

[10] Javidan, M., House, R. J., Dorfman, P. W., Hanges, P. J., and De Luque, M. S, "Conceptualizing and measuring cultures and their consequences: a comparative review of GLOBE's and Hofstede's approaches," *Journal of international business studies*, **Vol 37 Issue 6, pp.897-914,2006.**

[11] Javidan, M., and Dastmalchian, A, "Culture and leadership in Iran: The land of individual achievers, strong family ties, and powerful elite," *Academy of Management Perspectives*, **Vol 17 Issue 4, pp.127-142 2003.**

[12] Javidan, M., & Carl, D. E, "East meets west: a cross-cultural comparison of charismatic leadership among Canadian and Iranian executives," *Journal of Management Studies*, **Vol 41 Issue 4, pp.665-691, 2004.**

[13] Thom, Wolf, "Culture, Leadership, and Organizations: The GLOBE Study of 62 Societies," [review] / House, R. J., Hanges, P.J., & Javidan, M., Eds. *Journal of Applied Christian Leadership*. **Vol 1 Issue 1, pp.55-71, 2006.**

[14] Dickson, M. W., Den Hartog, D. N., and Mitchelson, J. K, "Research on leadership in a cross-cultural context: Making progress, and raising new questions," *The leadership quarterly*, **Vol 14 Issue 6, pp.729-768, 2003.**

[15] Irawanto, D. W., Ramsey, P. L., & Ryan, J. C, "Tailoring leadership theory to Indonesian culture," *Global Business Review*, *12*(3), **pp.355-366, 2011.**

[16] Liden, R. C, "Leadership research in Asia: A brief assessment and suggestions for the future," *Asia Pacific Journal of Management*, **Vol 29 Issue 2, pp.205-212, 2012.**

[17] DeVoe, S. E., and Iyengar, S. S, "Managers' theories of subordinates: A cross-cultural examination of manager perceptions of motivation and appraisal of performance," *Organizational Behavior and Human Decision Processes*, **Vol 93 Issue 1, 47-61, 2004.**

[18] Kuada, J, "Culture and leadership in Africa: a conceptual model and research agenda, "*African Journal of Economic and Management Studies*, **Vol 1 Issue 1, pp.9-24, 2010.**

[19] Holmberg, I., and Åkerblom, S, "Primus inter pares: Leadership and culture in Sweden," *Culture and leadership across the world: The GLOBE book of in-depth studies*, **Vol 25, pp.33-74, 2007.**

[20] Christie, P. M. J., Kwon, I. W. G., Stoeberl, P. A., and Baumhart, R, "A cross-cultural comparison of ethical attitudes of business managers: India Korea and the United States," *Journal of Business Ethics*, **Vol 46 Issue 3, 263-287, 2003.**

[21] Lämsä, T, "Leadership styles and decision-making in Finnish and Swedish organizations," *Review of International Comparative Management*, **Vol 11 Issue 1, pp.139-149, 2010.**

[22] Raskovic, M., and Krzisnik, S, "Cross-cultural comparison of leadership practices from Slovenia and Portugal using the Globe Research Program Methodology," *Portuguese Journal of Management Studies*, **Vol 15 Issue 1, pp.13-34, 2010.**

[23] Chong, E, "Managerial competency appraisal: A cross-cultural study of American and East Asian managers," *Journal of Business Research*, **Vol 61 Issue 3, 191-200, 2008.**

[24] Roberts, E. Ashkanasy, N., and Kennedy, J, "The egalitarian leader: A comparison of leadership in Australia and New Zealand,: *Asia Pacific Journal of Management*, **Vol 20, pp.517–540, 2003.**

[25] Brodbeck, F. C., Frese, M., and Javidan, M, "Leadership made in Germany: Low on compassion, high on performance," *Academy of Management Perspectives*, **Vol 16 Issue 1, pp.16-29, 2002.**

[26] Li, J., and Harrison, J. R, "National culture and the composition and leadership structure of boards of directors," *Corporate Governance: An International Review*, **Vol 16 Issue 5, pp.375-385, 2008.**

[27] Kirkman, B. L., Lowe, K. B., and Gibson, C. B, "A quarter century of culture's consequences: A review of empirical research incorporating Hofstede's cultural values framework," *Journal of international business studies*, **Vol 37 Issue 3, pp.285-320, 2006.**

[28] Tkeshelashvili, N, "The effects of culture on the leadership style in Georgia," *IBSU Scientific Journal (IBSUSJ)*, **Vol 3 Issue 2, pp.115-129, 2009.**

[29] Elsaid, E., and Elsaid, A. M, "Culture and leadership: Comparing Egypt to the GLOBE study of 62 societies," *Business and Management Research*, **Vol 1 Issue 2, 2012.**

[30] Ashkanasy, N. M., and Kennedy, J, "The Egalitarian Leader: Leadership in Australia," *Leading in High Growth Asia: Managing Relationship for Teamwork and Change*, **Vol 231, 2003.**

AUTHORS PROFILE

She was born on March 19 in Malaysia, where she finished school. She completed bachelor studies in international business and marketing at the Taylor Business School, and enrolled in master studies at the same university. She graduate and became a master of business administration. She is the author of numerous papers written throughout her bachelor and master studies, as well as some scientific articles presented in national and international level.