LEADERSHIP AND MANAGEMENT STYLES ACROSS CULTURES

Requirement of the task (Question)

EITHER:

Critically review recent literature relating to leadership and management styles for your own nation or culture and other nations represented within a team in which you were a member. Relate this literature to your own experience of leading and managing the team, and being led and managed by other team members. Include in your discussion any cross-cultural issues which arose and how they were dealt with.

OR:

Critically review literature relating to negotiation and conflict resolution in your own nation or culture and other nations represented within a team in which you were a member. Relate this literature to your own experience of leading and managing the team, and being led and managed by other team members. Include in your discussion any cross-cultural issues which arose and how they were dealt with.

Answer:

1   Introduction

If one were to study history, it is quite evident that history has often been a clash of cultures. Wars were fought on the basis of religion, colonisation happened because one cultural community believed that it was superior to the rest of the world, people who were different were termed as barbarians or savages and even slavery thrived as a result. All this happened because people did not care or bother about the culture of others. However, over the years there has been a rise in the need to understand the cultures of other people firstly because democracy has flourished in most parts of the world (out of 192 nations there are 120 democracies in 2000 (Gorodnichenko and Roland, 2020) and more recently because of globalisation. Democracy inherently recognised the rights of men and globalisation showed corporations that profits can be made by expanding overseas. Faster modes of travel, development of the internet have meant that that people from different cultures come in frequent contact with one another and therefore there is a need for not only understanding cultures, but also Cross-Cultural management. Today an employee in any organisation, can expect to be a part of a team that has people from different cultural backgrounds, and over the course of their careers, they can also expect to lead a team or even an organisation. This paper will present leadership theories and show how leadership theories have incorporated culture into the equation of managing people; using Hofstede cultural dimensions, it will present leadership styles in UK, India, Trinidad and Tobago; finally, the paper will apply them to my workplace and show how we perform as a team in our organisation.

2   Literature Review

2.1   Existing Leadership theories

Leadership is a vital quality that is required in almost all human endeavours, it is especially essential when in the corporate sector. It has therefore been widely studied over time. According to Horner (1997), the first theories to study leadership concentrated on the traits of the leader and it was believed that leaders are born and not created. It was asserted that leadership is a God-given gift and only a few people are born with leadership skills. Leaders were therefore Great Men and common people had to recognise this and follow them as they would lead them to greatness. This theory only considered military leaders and politicians, moreover, it was presumed that leaders were only men and not women (Spector, 2015). However, it was discarded as leadership is also required in the corporate sector and besides, it was shown that leadership need not be a God-given talent, but could also be learned. Later researchers studied the traits that leaders exhibit and believed that by

learning these traits, ordinary people could also become leaders. This gave rise to the trait theory of leadership (Horner, 1997). According to Trait theory, leaders have traits like they have intelligence, charisma, are decisive, and have knowledge and skills. Trait theory was similar to the Great Men theory, which gave way to the Behavioural theory that focused on how leaders functioned. It postulated that leaders are those who successfully respond to external factors. A person can be a leader by implementing certain behaviours (Derue et al., 2011). Since the Behavioural theory assumed existence of external factors and this gave rise to Situational leadership theory by Hershey and Blanchard in which a leader takes into consideration of the situation the organisation and responds by directing the employees in overcoming the challenges facing them at the moment (Bosse et al., 2017).

While these theories focused on the leaders, latter theories such as Transactional leader and Transformational leader shed light on the role of the leader in engaging employees and getting them to perform their tasks. The former stressed on rewards and punishment as a way to motivate employees, whereas the latter concentrated upon changing the lives of the employees and getting the best out of them (Baškarada, Watson, and Cromarty, 2017).

2.2 Leadership theories and need for Cross-Cultural management

The above-mentioned leadership styles have shown the evolution of the study of leadership. However modern leaders have to manage people from different cultural backgrounds and it is, therefore, necessary to understand the cultural nuances when leading people. Christiansen, (2012) writes that this is increasingly necessary because in modern organisations, there are 'international managers' who have to communicate, motivate employees to get the job done and it is necessary for these international leaders to understand the cultural background of the employees. This is necessary because, there may be language barriers, priorities may be different, attitude towards work may be different and finally, in one team alone there may be people from different cultural backgrounds and a manager will have to design his/her approach according to the cultural requirements of each individual. The same manager may have to adopt different management styles when leading a team. If there are persons who come from individualistic cultures, they would be happy if they are not supervised all the time, whereas those coming from collectivist cultures will need constant approval. It is, therefore, necessary to look at cross-cultural models.

Bertran, (2006) writes that modern organisations economic development is linked with global economic development. managers have to have competencies to face the challenges that international assignments throw to survive. This is because organisations today are increasingly moving away from their home nations either to increase sales or acquire resources, either to diversify or build supply chains or simply because it provides a

competitive edge. It is therefore becoming increasingly important to develop international management which is defined as "relationships between people of different cultures, motivations, backgrounds and psychologies who need to work together effectively" (Bertran, 2006: page. 8). Christiansen, (2012) adds that as a result of international interconnectedness and complexity within cultures it has become increasingly important for individuals to be effective in intercultural interactions. This is because different cultures have different hierarchies, different communications systems, different values, and notions of equity and equality. Unprepared managers can either develop biases or become ineffective if they adopt ethnocentric principles.

2.3   Adopting cross-cultural management on the basis of values

2.3.1   Individualism vs Collectivism

Research conducted by Fons Trompenaars and Geert Hofstede showed that broadly speaking, cultures can be divided into 2 extremes individualistic cultures and collectivist cultures. In the former, the individual is responsible for his/her growth and society encourages those who are independent. These cultures give importance to individual freedoms and privacy. On the other hand, collectivist cultures are those where the family and traditions play an important in life of the person. Decisions are made by the group and hierarchies are respected (Cacciattolo, 2020). Geert Hofstede postulated 6 cultural dimensions namely Power Distance, Individualism, Masculinity, Uncertainty Avoidance, Long-term Orientation and, Indulgence that can be measured in different cultures (see Appendix 1). For example, English people score high on Power Distance and Individualism. They prefer autonomy, whereas Indians and Trinidadians prefer following orders in comparison. A Briton will decide without consulting others, an Indian may do the same. When it comes to decision making Trinidadians like to make collective decisions. Indians were most comfortable where hierarchy was defined. All communities like to chase goals and competed in achieving them. Similarly, all these cultures were ambivalent about their future. While Britons and Indians displayed some respect for traditions, the Trinidadians had most of respect for it. Finally, both Britons and Trinidadians liked to indulge themselves, whereas Indians preferred thrift (Hofstede Insights, 2021).

2.3.2   Importance of cross-cultural communication

One of the main tasks for any manager is to develop effective communication channels with the team members. In a cross-cultural setting, this becomes more difficult as there may be a need to overcome the language barrier as all team members may not speak the same language. Apart from language, the communication barrier can come from the way communication happens in different cultures as it may depend on non-verbal communication and traditions of the respective cultures in the teams. Individualist cultures may resent

constant feedback on the work, whereas the same may be necessary for team members from the collectivist background. The same goes for making decisions, as generally, Europeans are likely to make decisions without consulting, whereas Asians/ Africans and Latin Americans would like every person to be involved in the decision-making process (Gudykunst and Ting-Toomey, 1988). Sully De Luque and Sommer, (2000) add that organisations must understand how feedback mechanism works in different cultures. If there were a mismatch in developing feedback channels according to cultural guidelines some team members (from collectivist cultures) who would want constant feedback would become indecisive and wait for approval, whereas others who value empowerment (individualist cultures) would be felt held back and would not appreciate constant reporting on the progress made.

Further, it must be mentioned that modern communication is not limited to men alone but must also factor among other things gender, race, religion, and political identity. It also includes communication made on social media platforms, which can become viral within seconds and can be seen all over the world (Croucher, Sommier, and Rahmani, 2015). It is therefore crucial for organisations to construct communication policies that take into consideration different cultures.

2.3.3   *Equity vs Equality conflict*

As mentioned above the values of each culture are different and this can be seen in how different cultures value equity and equality. Most Western cultures that stem from individualism believe that an individual must get rewards commensurate with the efforts put in by him/her. They cherish equity. Whereas, collectivist cultures in which everyone takes part in the decision-making process and completion of tasks believe that rewards must be shared equally. These cultures believe that when everyone benefits, loyalty group harmony, solidarity is formed and interpersonal conflicts are minimised. This may be alien to the Western mind who have faith in 'winner takes all' philosophy (Fadil et al., 2005).

2.3.4   *Rewards and Recognition*

From equity and equality, one can derive how employees will look at organisational rewards and their motivations to achieve them. Di Cesare and Sadri, (2003) emphasise that those coming from the individualistic cultures such as UK or Americans will remain loyal to the organisations as long as the organisations reward them for their inputs and hard work. While they do care about their organisation, their interests are more self-centred than others. On the other hand, employees from collectivist organisations give importance to the success of the organisation and would be more likely to sacrifice personal rewards and promote organisational growth instead. Similarly, titles are distinctions will matter less to Americans

than to the Japanese who will only act when allowed by their seniors. Chiang and Birtch, (2007) add that the concept of rewards originated in the Western and have found that it has more acceptance in the western cultures rather than Eastern cultures.

2.3.5 *Motivation*

Just like rewards and recognition are misunderstood as they have been derived from a Western standpoint; motivation and motivational theories are equally flawed as they do not consider all cultures. Iguisi, (2019) has shown that motivational theories like Maslow's Theory of Motivation, Herzberg's Two-factor theory, Vroom's Expectancy theory, or Hofstede's work-goals motivation theory have found little acceptance in African countries. These cultures weigh job security more than 'challenging tasks', 'freedom,' or 'living in desirable areas' that have been preferred by their European counterparts. Opportunities for advancement are symbolic and but economic welfare is rated better. Among Africans, Nigerians wanted a clear job description and liked to contribute to the success of the organisation and would like their superiors to consult them and involve them in the decision making process.

2.3.6 *Corruption*

Seemingly, illegal activities may take different hues when studied from a cultural standpoint. According to Hooker, (2009) cultures can be broadly be classified into those that are relationship-based and those that are rule-based. In the former cultures, nepotism and cronyism are not looked down upon. In Asia, Africa, etc. it is considered advantageous to have relatives, friends, or acquaintances in the right places. It is not expected that written contracts will be strictly adhered to, flexibility is permitted because it is important to maintain a relationship. This is because figures in authority are respected in these cultures. Bribes or corruption which are considered illegal in the West are merely means of getting the work done. Rule-based cultures which are found in America or Europe place high values on rules and expect people to follow strictly according to what is written.

3   My Experience in Zara as a sales counter person

I work in Zara, which is one of England's most famous high street brands. It is a subsidiary of Inditex. With revenue of € 20.4 billion and a profit of € 1.1 billion and stores across Europe, Asia, Australasia and the Americas, it is one of the most recognisable brands in the world. Zara specialises in high fashion clothes for men, women, and children. It also sells accessories. There are 13 stores, in London and 4 on Oxford Street alone (Inditex, 2019).

I work in one of the stores that are on Regent Street, London. I am a salesperson in the leather goods section and have to sell leather products like bags, belts, wallets, and other assorted items. In my team, there are 2 salespersons including me and we report to the floor

manager. The floor manager is an Englishman and one of my colleagues is a woman from Trinidad and Tobago (West Indies) who is also a student. Thus, our team has a cultural mix of different cultures viz. the UK, West Indian and me from India.

I have been working there for the past 6 months or so and I have been able to observe some of the cultural dimensions that were postulated by Geert Hofstede (Christiansen, 2012). When I first joined the company, I was taken to my section and given brief training on how to handle the merchandise, how to present it to the customers, record sales and manage inventory. My colleague joined two days later and my manager delegated me to train her. I was not familiar with the routine myself and it was a rather unnerving experience because each item in the store is costly. I rather wanted the floor manager to repeat the exercise as it would be a revision for me as well, but it did not happen. I later realised that this was not because my manager was lazy, it was because of the power distance index postulated by Hofstede. As I came from India, I had a respect for superior and wanted to be handheld. However, my manager and even my co-worker who came from cultures that had low power index scores (47 and 35 respectively see appendix 1) they did not have high regard for hierarchy and believed in using first name basis (Hofstede Insights, 2021).

Within, a few days of working, I had started getting along with my colleague quite well, in fact she was too friendly at times. However, sometimes I wished for more privacy. On the other hand, when I tried to build a rapport with my boss, I failed and we only spoke about professional matters. He never asked me about my background or anything about my family. The conversation always about work and personal information was very rarely revealed for example when he accidentally mentioned he loved Disney cartoons. This is because English people are the most reserved and prize individual freedom. On the opposite side were those from West Indies, who were firmly entrenched in family and social circles. I was somewhere in the middle, I liked making friends, but at the same time maintaining some reserve especially with new relationships (Hofstede Insights, 2021).

Both of us were quite competitive and our boss encouraged us to be so. There were targets to chase and contests to be won and we kept an eye on each other's earnings. This we all came from 'masculine' culture, where a display of wealth, acquisition of material things was appreciated (Hofstede Insights, 2021).

One of the things that I noticed about my colleague was her concern for future – she liked reading the daily horoscope. She also liked getting things exactly right. She was meticulous about her things and would be upset if anything was misplaced. While I have a future goal, that I am pursuing, I don't obsess about it every day. I noticed the same thing about my

boss, we shared the same traits. This is due to fact that West Indians were tended to avoid uncertainty and liked to have some control over the future (Hofstede Insights, 2021).

When it came to traditions and stories regarding history, my friend from Trinidad had a huge collection which she liked to share. She was rather surprised that I have but some sketchy knowledge of my background. She had assumed that since I come from a culture steeped in history, I would follow traditions just like her. But neither I nor my family follows our traditions strictly. Moreover, ever since I have come here, the hold of my traditions has loosened considerably. This is due to the fact Trinidadians have a low score in long-term orientation and have a deep respect for traditions (Hofstede Insights, 2021).

One of the major differences that I found and my boss and my Trinidadian colleague is their ability to spend and enjoy life. I am always conscious of how much I earn and still have a habit of converting Pounds into Rupees. Back home in India, I would never deign to buy a bag that costs thousands of Rupees, and yet my customers are willing to spend huge amounts on trifles. It was not just fashionable clothes but also a general willingness to let one's hair down on the weekend and have a holiday. I can never do that. This is because we have a low score on indulgence, we cannot abide by so much gratification of senses and think it somehow immoral. Whereas my colleague loves to party and enjoys life and so does my boss, they never feel guilty about enjoying themselves so much. This is due to fact that we Indians score low on the indulgence scale and they score high on the same scale (Hofstede Insights, 2021).

4 Conclusion

This paper studied different leadership theories and show that traditional leadership theories have not factored culture into the equation of managing people. However, since globalisation a need for an 'international manager' has been created and it is necessary to understand the influence of culture in managing people. This is because values like equity/ equality, individualism/ collectivism, motivation, rewards, and recognition change according to cultures. Even dubious activities like corruption, cronyism, nepotism are viewed differently in varied cultures. To understand the importance of culture the paper applied Hofstede's cultural dimensions to UK, Indian and Trinidadian cultures and linked them to the author's work experience in Zara. It was found that Britons are most reserved in the group, they prefer autonomy over supervision and like to take decisions without consulting others. In contrast, while Trinidadians preferred some autonomy, they also like to be supervised. When it comes to decision making Trinidadians like to make collective decisions. Indians were most comfortable where hierarchy was defined. All communities like to chase goals and competed in achieving them. Similarly, all these cultures were ambivalent about their future.

While Britons and Indians displayed some respect for traditions, the Trinidadians had most of respect for it. Finally, both Britons and Trinidadians liked to indulge themselves, whereas Indians preferred thrift.

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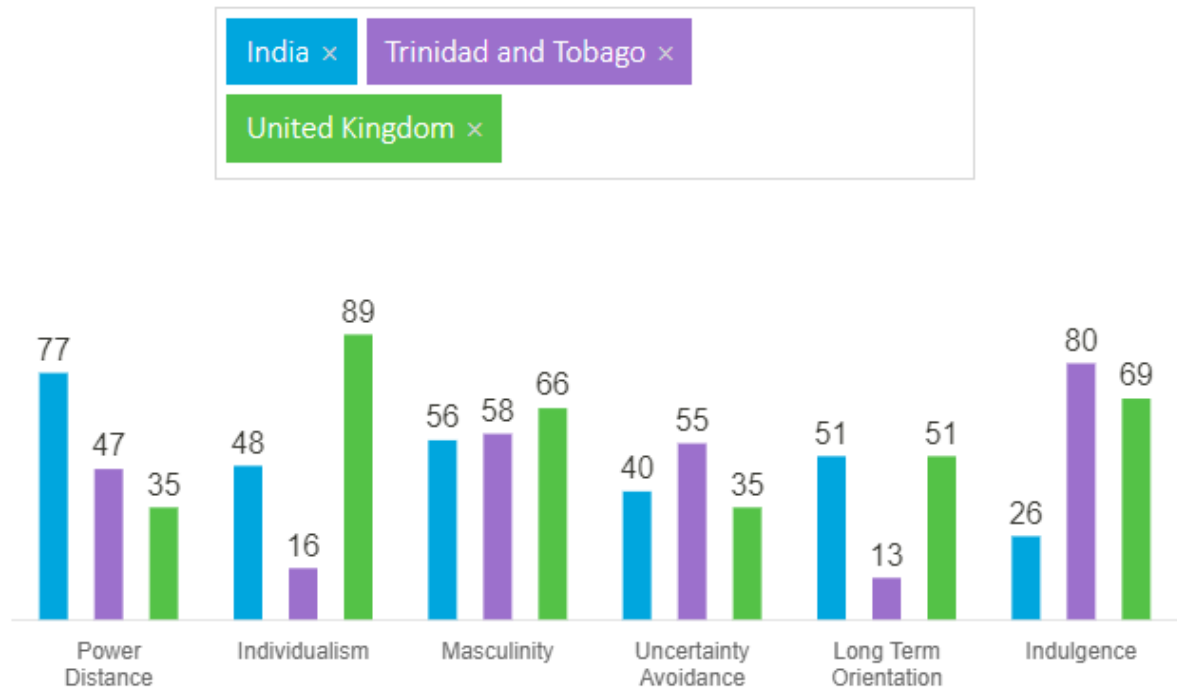
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6   Appendix

Source: (Hofstede Insights, 2021)