

# Cross-cultural Leadership

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**Abstract:** *The present paper is meant to outline the positive effects that diversity may have on any organisation, subject to the condition that the said diversity be appropriately managed. As the leader is a person who, by power of example, makes other people adopting a similar attitude, the actions of the same oriented towards the fructification of the advantages of a cross-cultural environment, which are depicted in this study, are not only directly, but also indirectly, by synergy, impacting, in a positive way, on the organisation. Innovation, performance, competitive advantage and reputation are just some of the outcomes of finding unity in diversity.*

**Keywords:** leadership, cross-cultural approach, globalisation, unity in diversity, competitive advantage

**JEL Classification:** M12, M14, M54

## 1. Cross-cultural leadership overview

In a world subject to a continuous process of globalisation, the concept of cross-cultural is frequently encountered in all fields of activity and at all levels. This is the reason

why I undertook to approach such issue, not in its generic meaning, but customised for the leadership pattern.

The main question one could ask himself/herself when talking about cross-cultural

leadership is what does it explicitly mean. The answer is more complex than it could look like at first sight, as it might be construed from a double perspective.

On one hand, cross-cultural leadership may be seen as the arsenal of methods used by a leader while carrying out his/her related activity so as to create an harmonious whole both as for the internal environment (members/employees) and for the external one (partners, suppliers, customers), irrespective of the origin and mentality of the above-mentioned individuals. More exactly, it reflects the capacity of a leader to accept the others as they are, to accept their culture, to be open-minded and flexible when making decisions and acting as such.

On the other hand, cross-cultural leadership may be defined as differences in leadership styles, manifested across various cultures. It means that leadership might be partially or even completely different as approach from one region, country or continent to another one, this not implying, of course, that one type of leadership is better than another one, but simply reflecting a distinct perception of the surrounding world, emerged from different history, educational system and social environment.

These being said, I intend to discuss in more detail about the first sense of cross-cultural leadership, that is, about understanding and acceptance of other people's habits, values, beliefs and norms, when assuming the prerogatives of a leader.

Living in a world of diversity makes us inherently come into contact with miscellaneous manners of thinking and acting, according to specific cultures, but learning from those cultures and enriching oneself in this respect is an act of will. If for common

individuals this is a decision of their own, with less incidence on others' life, for leaders this becomes a necessity, it having a significant impact on the healthy and sustainable growth of the organisation being under their coordination.

Given that a leader is not a simply manager, but a person who, by the power of example, by his/her behaviour, is able to make other people to follow him/her, the adoption of various cultures turns into an important purpose subsidiary to achieving the main goals of the related organisation. In this context, cross-cultural leadership is a hybrid leadership encompassing ideological diversity and allowing an organisation, of any type, to perform at its best not only domestically, but also at international level.

## 2. Diversity across organisations

Let's make an exercise of imagination. Think of an important multinational company performing on the national territory. The idea of diversity emerges at a glance and gives rise to many questions.

Considering that, usually, such a company puts altogether resident and non-resident employees, with different visions, in compliance with their own cultures, how could they work together efficiently if they are unable to effectively listen to each other, if they are not opened to the each other's point of view? I assume everybody agrees that the first step is to accept and treat your colleague as one of your own, given that the final aim is to make the related company a powerful one, this subsequently involving both appreciation and higher wages for the valuable personnel. It is also well known that united heterogeneous teams are stronger

than homogenous ones, as all issues are analysed and solved from a multiple perspective, by acting based on a sort of invisible brainstorming mechanism. The diversity at this level is so important that firms not having foreign employees send their domestic ones abroad to develop new skills and competencies under the impact of different cultures. But it is indubitable true that inadequately led heterogeneous teams can generate disaster for the organisation.

Besides, the related company being multinational, it obviously comes in touch with a varied environment, be it represented by suppliers, customers or partners and here appears again the idea of collaboration in diversity. Not only the marketing and sales departments, but, more or less directly, the entire company should think and accept other cultures so as to be able to communicate by resorting to the same "business language". What would happen if the leader did not create a bridge between the company led by him/her and the diverse source or target stakeholders? Which would be the attitude of his/her subordinates? And more than that, how could such a company go further? The answers are implicit. There is no way to progress is the business area without a cross-cultural approach. The characteristics of the nowadays world impose us to adopt such an attitude in order to get competitive advantage.

What about the academic leadership? The things are quite similar, at least at conceptual level. In this case too, the issue might be perceived from two directions.

First of all, many students go and come from abroad to acquire new knowledge or to perfect, in a different environment, their already acquired knowledge, either for the

entire length of their academic studies or for an exchange of experience, this involving coming into contact with other conceptions, mentalities, in one word with other cultures. Their integration in the new community does not depend only on one's own capacity of adaptation, but also, especially, to the openness of the target organisation to receive him/her in the middle of it. And this is certainly induced by the leader of that community. The same as concerns the professors teaching, from one reason or another, in a foreign university. As we all know, universities should make all necessary efforts to attract best students and professors possible, "la crème de la crème", both from among domestic individuals and from those coming from all corners of the world, so that their ranking might be ever higher, and a true leader shall adopt an appropriate attitude to encourage it, to its largest extent.

Secondly, diversity occurs when it comes about academic research. As in the case of the above-mentioned business area cross-cultural approach, ideas born from different minds and put altogether can lead to impressive research results. More unity in diversity in such area, more chances to progress not only as for the said researchers or for their origin educational institution, but for the mankind evolution as a whole. And again, the main responsible for a successful result is the leader of the academic organisation, who should help his/her followers understand the unexpected dimension of intense collaboration beyond borders.

If we try to go further, to the political leadership zone, things do not change at all. Even more in this case, diversity manifests at each step. No country can operate in the global world without being subject to all sort

of foreign influences, at various levels. Just think of the adherence to the European Union or to the North Atlantic Treaty Organization structures. How to be able to cooperate if unable to understand the other's opinions, if not opened to capture the best of what the other side can offer? The leader in this case has the duty to create and strengthen the link with the foreign environment and to correctly inform the habilitated bodies and the population in general about the importance of such fraternity.

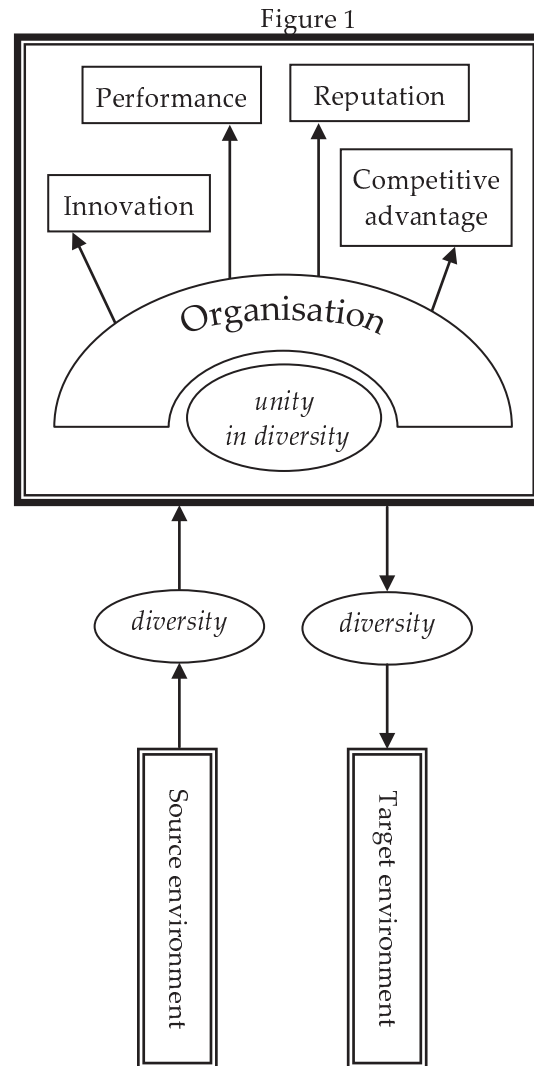
And these have been just several examples of a large series.

### 3. Dealing with a cross-cultural approach

No matter of the field of activity, diversity exists inside and outside of any organisation, and it is without any doubt a positive thing, this generating added value, as by benefiting from diversity, any organisation can healthy develop and achieve innovation, performance, competitive advantage and, finally, reputation (Figure 1). But what is essential, in order to achieve the same, is for such diversity to be appropriately managed by the related leaders, by resorting to the mechanisms being at their disposal.

When talking about the actions a leader should take in a cross-cultural environment, these are basically the same irrespective of the field of activity in which the said organisation operates (Figure 2):

- Not encouraging or accepting any discrimination within the organization. A leader should promote non discrimination of people, irrespective of their nature, convictions or mentalities, so that they feel like fully belonging to the assembly;



- Popularising diversity. A leader should “teach” people to feel comfortable working in a varied environment, to discover the most interesting aspects of other cultures and to take advantage of the related different manners of thinking and acting;

- Implementing adequate policies, rules, procedures and practices. In an environment characterized by diversity, a leader should pay a special attention to avoid resorting to policies, rules, procedures and

practices adversely impacting on certain individuals or groups;

- Making changes. A leader should be flexible and opened to change whenever necessary so as to permanently maximise the potential of all people involved;

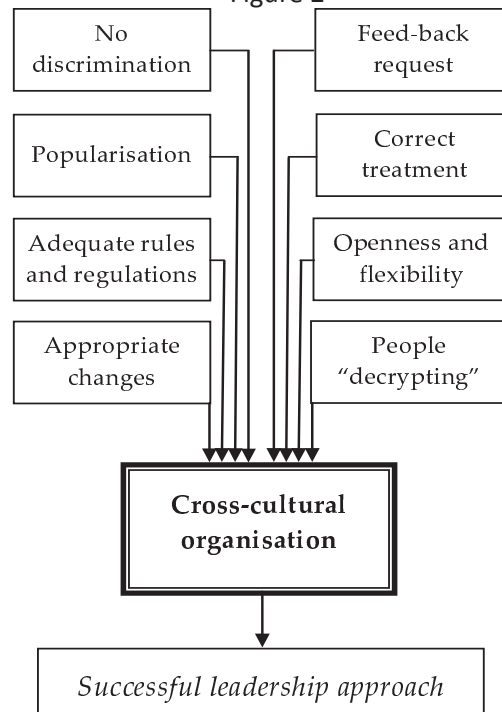
- Encouraging feed-back. It is always recommendable to require and receive feed-back, but it is absolutely necessary to do so when working in diversity.

- Treating others as they like to be treated. In a homogenous environment a leader should treat others as he/she likes to be treated, but in a heterogeneous one the problem is more profound. Different individuals have different expectations, sometimes fully distinguished in nature from one another, so the most important is to treat each of them as he/she likes to be treated;

- Being open and flexible. A leader should be aware that his/her point of view is not necessarily the best, that the multitude of points of view emerged from diversity could bring the organisation infinitely much more benefits;

- Getting to know the people working with. A leader should come to know his/her people, this not involving to become acquainted with every detail of their life, but to understand how they think and act, what motivates them, what makes them happy. How to know people unless listening to them? Listening more, means getting faster to the essence of those people. By perceiving them as they really are, with their specific characteristics, the leader is able to develop strong relationships with the same, to create a common ground allowing him/her to establish unity-oriented sustainable connections within the said entity, with a positive synergic effect at the level of the entire organisation.

Figure 2



#### 4. Leadership styles from cross-cultural perspective

The following lines are dedicated to the identification, from a large class of leadership styles revealed by renowned specialists in the matter, of the ones most appropriate while working in a multi-cultural environment (Table 1):

Table 1. Cross-cultural fit leadership styles

Author	Types of leadership	Characteristics	Appropriateness for cross-cultural environment
Kurt Lewin	<i>Autocratic leadership</i>	Decisions are made exclusively by the leader, without involving any other member of the organisation	not appropriate
	<i>Democratic leadership</i>	Decisions are finally made by the leader, the organisation members being however consulted during the decision/making process	most appropriate
	<i>Laissez-faire leadership</i>	Decisions are made in collaboration with the organisational members, the latter benefiting from freedom of actions and grounded resource and advice-related support	appropriate
Robert Blake and Jane Mouton	<i>Country club leadership</i>	Leaders are mainly focussed on people, encouraging teamwork and providing creative collaboration, and less on production	appropriate
	<i>Team leadership</i>	Leaders are highly focussed both on people and on production, generating an environment of trust and respect	most appropriate
	<i>Middle-of-the-road or Status-quo leadership</i>	Leaders are moderately focussed both on people and on production, causing medium work results and people satisfaction	moderately appropriate
	<i>Impoverished leadership</i>	Leaders are not focussed either on people or on production, being the less involving type of leadership	not appropriate
	<i>Produce, Dictatorial or Perish Style</i>	Leaders are mainly focussed on production, encouraging well done jobs, and less on people	not appropriate

Paul Hersey and Ken Blanchard	<i>Telling leadership</i>	Communication is unidirectional, from the leader to his/her people, the former determining, by himself/herself, the necessary actions in order to accomplish the related tasks	not appropriate
	<i>Selling leadership</i>	Communication is bidirectional, the leader determining, by himself/herself, the steps to be done so as to fulfill the related tasks, however offering moral support to his/her people	moderately appropriate
	<i>Participating leadership</i>	Communication is bidirectional, the leader involving the team in order to establish the issues necessary to accomplish for doing right the related tasks, therefore maintaining high relationship behavior	most appropriate
	<i>Delegating leadership</i>	Leaders step back, the individuals of the group taking in charge the decisional process, the role of the leader consisting in monitoring the progress	appropriate
Daniel Goleman, Richard Boyatzis and Annie McKee	<i>Visionary leadership</i>	Leaders provide guidance and informational support to their people, enriching the latter's knowledge	appropriate
	<i>Coaching leadership</i>	Leaders help people in discovering their strengths and weaknesses, allowing them to correlate the same with the job-related aspirations, and delegate challenging assignments, testing their potential	appropriate
	<i>Affiliate leadership</i>	Leaders are mainly focused on their people's needs, trying to establish connections between them, thus generating a harmonious organizational environment	most appropriate
	<i>Democratic leadership</i>	Leaders are rather opened to people participation, to listening to them than to effective action	appropriate
	<i>Pacesetting leadership</i>	Leaders look for excellence of people in accomplishing their tasks, however without relevantly guiding them in this direction, but directly involving in solving issues by their own, if necessary	moderately appropriate
	<i>Commanding leadership</i>	Leaders are sorts of dictators, giving clear orders and expecting total obedience from their people	not appropriate

As the above-table revealed, the most appropriate leadership styles in a cross-cultural approach are those highly centred on people, directed towards active listening, in order to capture individuals' and groups' needs, towards the stimulation of collaboration and knowledge sharing, so as to create a harmonious work environment fit for a large mass of cultures. The democratic leadership of Lewin, the Team leadership of Blake and Mouton, the Participating leadership of Hersey and Blanchard or the Affiliate leadership of Goleman, Boyatzis and McKee are just some of the most representatives types of leadership helping leaders in creating unity in diversity within their organisations.

## 5. Conclusions

The present paper outlined significant issues relating to cross-cultural leadership, going from the revealing of the importance of

organisational cultural diversity in a continuously globalising world, passing through the description of the key role of leaders in managing diversity and turning it into a competitive advantage-bringing unity and ending by specifying the methods the leaders should use and the styles the leaders should adopt in order to achieve the said goals and thus to get progress.

The research is to be continued by a thorough analysis of the medium and long-term consequences of people focussed leadership, based on case studies referring to organisations activating in miscellaneous fields. The ways the leaders might improve their cross-cultural leadership perspective could be also discussed. And finally, but not at least, the idea of team leadership would represent an interesting topic to approach when dealing with a multi-cultural dimension.

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