

Culture and Leader Effectiveness: The GLOBE Study

Background: The "Global Leadership and Organizational Behavior Effectiveness" (GLOBE) Research Program was conceived in 1991 by Robert J. House of the Wharton School of Business, University of Pennsylvania. In 2004, its first comprehensive volume on "*Culture, Leadership, and Organizations: The GLOBE Study of 62 Societies*" was published, based on results from about 17,300 middle managers from 951 organizations in the food processing, financial services, and telecommunications services industries. A second major volume, "*Culture and Leadership across the World: The GLOBE Book of In-Depth Studies of 25 Societies*" became available in early 2007. It complements the findings from the first volume with in-country leadership literature analyses, interview data, focus group discussions, and formal analyses of printed media to provide in-depth descriptions of leadership theory and leader behavior in those 25 cultures.

Cultural Dimensions and Culture Clusters: GLOBE's major premise (and finding) is that leader effectiveness is contextual, that is, it is embedded in the societal and organizational norms, values, and beliefs of the people being led. In other words, to be seen as effective, the time-tested adage continues to apply: "When in Rome do as the Romans do." As a first step to gauge leader effectiveness across cultures, GLOBE empirically established nine cultural dimensions that make it possible to capture the similarities and/or differences in norms, values, beliefs –and practices—among societies. They build on findings by Hofstede (1980), Schwartz (1994), Smith (1995), Inglehart (1997), and others. They are:

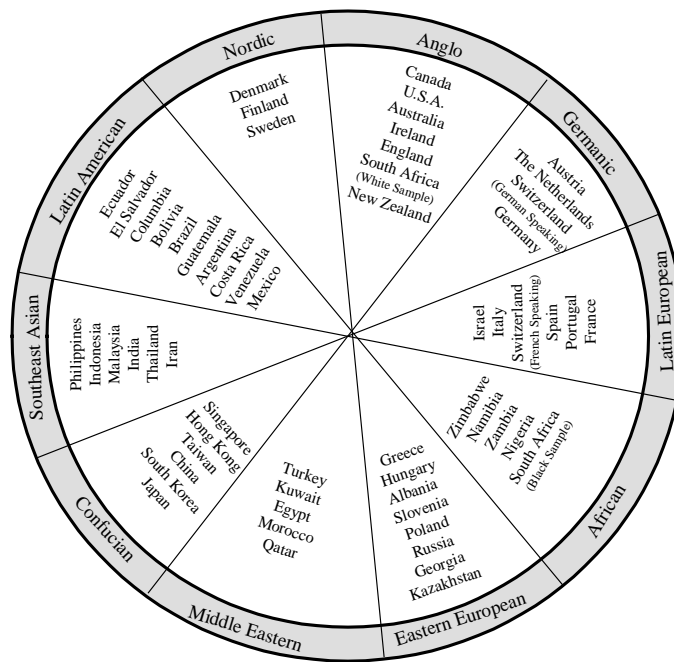
<u>Power Distance:</u>	<i>The degree to which members of a collective expect power to be distributed equally.</i>
<u>Uncertainty Avoidance:</u>	<i>The extent to which a society, organization, or group relies on social norms, rules, and procedures to alleviate unpredictability of future events.</i>
<u>Humane Orientation:</u>	<i>The degree to which a collective encourages and rewards individuals for being fair, altruistic, generous, caring, and kind to others.</i>
<u>Collectivism I:</u> (Institutional)	<i>The degree to which organizational and societal institutional practices encourage and reward collective distribution of resources and collective action.</i>
<u>Collectivism II:</u> (In-Group)	<i>The degree to which individuals express pride, loyalty, and cohesiveness in their organizations or families.</i>
<u>Assertiveness:</u>	<i>The degree to which individuals are assertive, confrontational, and aggressive in their relationships with others.</i>
<u>Gender Egalitarianism:</u>	<i>The degree to which a collective minimizes gender inequality.</i>

Future Orientation: *The extent to which individuals engage in future-oriented behaviors such as delaying gratification, planning, and investing in the future.*

Performance Orientation: *The degree to which a collective encourages and rewards group members for performance improvement and excellence.*

This first step allowed GLOBE (see Figure 1) to place 60 of the 62 countries into country clusters, similar to those by Ronen and Shenkar (1985), Inglehart (1997), and Schwartz (1999). Cultural *similarity* is greatest among societies that constitute a cluster; cultural *difference* increases the farther clusters are apart. For example, the Nordic cluster is most dissimilar from the Eastern European.

Figure 1: Country Clusters According to GLOBE



Source: Adapted from House et al., 2004.

Country Clusters and Leader Styles: GLOBE next analyzed the responses of the ca. 17,300 middle managers from 61 of the 62 countries to 112 leader characteristics, such as modest, decisive, autonomous, and trustworthy, based on the following definition of leadership: an outstanding leader is a person in an organization or industry who is *"exceptionally skilled at motivating, influencing, or enabling you, others, or groups to contribute to the success of the organization or task."* The analysis generated 21 leadership scales. Based on a 7-point scale and the "world mean" of each scale (i.e., the average of 61 country means), the 21 leadership scales ranked from the "most *universally* desirable" to "the least *universally* desirable" as follows:

Integrity (6.07)	Humane (4.78)
Inspirational (6.07)	Status conscious (4.34)
Visionary (6.02)	Conflict inducer (3.97)
Performance-oriented (6.02)	Procedural (3.87)
Team-integrator (5.88)	Autonomous (3.85)
Decisive (5.80)	Face saver (2.92)
Administratively competent (5.76)	Non-participative (2.66)
Diplomatic (5.49)	Autocratic (2.65)
Collaborative team orientation (5.46)	Self-centered (2.17)
Self-sacrificial (5.0)	Malevolent (1.80).
Modesty (4.98)	

These 21 leadership scales were statistically and conceptually reduced to six scales, resulting in six leader styles:

The *performance-oriented style* (called "charismatic/value-based" by GLOBE) stresses high standards, decisiveness, and innovation; seeks to inspire people around a vision; creates a passion among them to perform; and does so by firmly holding on to core values.

The *team-oriented style* instills pride, loyalty, and collaboration among organizational members; and highly values team cohesiveness and a common purpose or goals.

The *participative style* encourages input from others in decision-making and implementation; and emphasizes delegation and equality.

The *humane style* stresses compassion and generosity; and it is patient, supportive, and concerned with the well-being of others.

The *autonomous style* is characterized by an independent, individualistic, and self-centric approach to leadership.

The *self-protective* (and group-protective) style emphasizes procedural, status-conscious, and 'face-saving' behaviors; and focuses on the safety and security of the individual and the group.

Table 1 groups the country clusters from Figure 1 according to the degree to which they prefer each of the six leader styles. Societal clusters grouped together at the higher or lower end or in the middle differ significantly from the other groups of clusters, but not from each other. There are no statistically significant differences for the *team-oriented* and *autonomous* styles across all clusters.

Table 1: Societal Clusters and Leader Styles

Performance Oriented <i>Higher</i>	Team Oriented <i>Higher</i>	Participative <i>Higher</i>	Humane <i>Higher</i>	Autonomous <i>Higher</i>	Self or Group-Protective <i>Higher</i>
Anglo Germanic Nordic SE Asian L. European L. American	SE Asian Confucian L. American E. European African L. European Nordic Anglo Middle Eastern Germanic	Germanic Anglo Nordic	SE Asian Anglo African Confucian	Germanic E. European Confucian Nordic SE Asian Anglo African Middle Eastern L. European L. American	Middle Eastern Confucian SE Asian L. American E. European
Confucian African E. European		L. European L. American African	Germanic Middle Eastern L. American E. European		African L. European
Middle Eastern		E. European SE Asian Confucian Middle Eastern	L. European Nordic		Anglo Germanic Nordic
<i>Lower</i> Performance Oriented	<i>Lower</i> Team Oriented	<i>Lower</i> Participative	<i>Lower</i> Humane	<i>Lower</i> Autonomous	<i>Lower</i> Self or Group-Protective

Source: Adapted from House et al., 2004.

Furthermore, the placement of each societal cluster *within* a style signals the relative importance of that style compared to the other styles for that cluster. For example, the performance-oriented leader style is the highest in rank for the Anglo cluster, indicating that this style is more important to the Anglo cluster than any of the other styles. In addition, when compared to the other country clusters, the performance-oriented style is also valued the most by the Anglo cluster.

Universal and Culturally Contingent Leader Characteristics: A further analysis of the 65 leader traits that constitute the six leader styles showed 22 of them to be universally desirable characteristics, i.e., they are characteristics that make it likely for a leader to be perceived as outstanding, and eight (8) were seen as universally *undesirable*, i.e., they likely impede a leader from being described as outstanding. The remaining 35 leader characteristics are culturally contingent. Table 2 provides a summary.

Table 2: Universal and Culturally Contingent Leader Characteristics

<i>'Universal' Leader Characteristics</i>	
<u>Contribute</u> to a Person Being Seen as an Outstanding Leader	
Trustworthy	Decisive
Just	Excellence-oriented
Honest	Dependable
Foresight	Intelligent
Plans ahead	Effective bargainer
Encouraging	Win-win problem solver
Positive	Administratively skilled
Dynamic	Communicative
Motive arouser	Informed
Confidence builder	Coordinator
Motivational	Team builder
<u>Inhibit</u> a Person from Being Seen as an Outstanding Leader	
Loner	Irritable
Asocial	Egocentric
Indirect/Non-explicit	Ruthless
Non-cooperative	Dictatorial
<i>Culturally Contingent Leader Characteristics</i>	
Anticipatory	Intuitive
Ambitious	Logical
Autonomous	Micro-manager
Cautious	Orderly
Class conscious	Procedural
Compassionate	Provocateur
Cunning	Risk taker
Domineering	Ruler
Elitist	Self-effacing
Enthusiastic	Self-sacrificial
Evasive	Sensitive
Formal	Sincere
Habitual	Status-conscious
Independent	Subdued
Indirect	Unique
Individualistic	Willful
Intra-group competitor	Worldly
Intra-group conflict avoider	

Source: Adapted from House et al., 2004.

That is, across all 61 countries in the GLOBE leadership study, people want their leaders to be trustworthy, just, honest, decisive, and so forth. However, how these traits are expressed and enacted may still noticeably differ from society to society. For example, for a leader to be described as decisive in the U.S., he or she is expected to make quick and approximate decisions. In contrast, in France or Germany, being decisive tends to

mean a more deliberate and precise approach to decision-making. The same caution applies to the universally *undesirable* leader traits.

Culturally contingent leader characteristics, such as ambitious, enthusiastic, formal, logical, or risk taker are valued differently around the world. For example, on GLOBE's 7-point scale to measure a society's view of these leader traits, ranging from 1 (greatly inhibits) to 7 (contributes greatly) to being seen as an outstanding leader, the country means for risk taker range from 2 to 6. This is in line with the extent to which countries tolerate uncertainty, as measured by GLOBE's uncertainty avoidance dimension, as described above.

GLOBE's Significance: Harry Triandis, one of the giants in cross-cultural research, calls the GLOBE research "the Manhattan Project of the study of the relationship of culture to conceptions of leadership" (2004). There are a number of reasons for this assessment. GLOBE is the most comprehensive study to date that *empirically* researched the relationship between culture and leader behavior in so many societies, with so many different quantitative and qualitative measures and methods, and in so many different organizations. It did so by engaging more than 170 collaborators from around the world who brought to the project an in-depth understanding of their own culture and its notion and practice of leadership.

Perhaps most importantly, and in the words of its principal investigator, Robert J. House, "[M]y final conclusion is that we are in a position to make a major contribution to the organizational behavior and leadership literature. To date more than 90% of the organizational behavior literature reflects U.S.-based research and theory. Hopefully GLOBE will be able to liberate organizational behavior from the U.S. hegemony" (2004).

Michael H. Hoppe (9/18/2007)

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