

IBUS 401

Cultural Environment of International Business



Roles of The Global Leader

Motivation and Leadership

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MOTIVATION ACROSS CULTURES

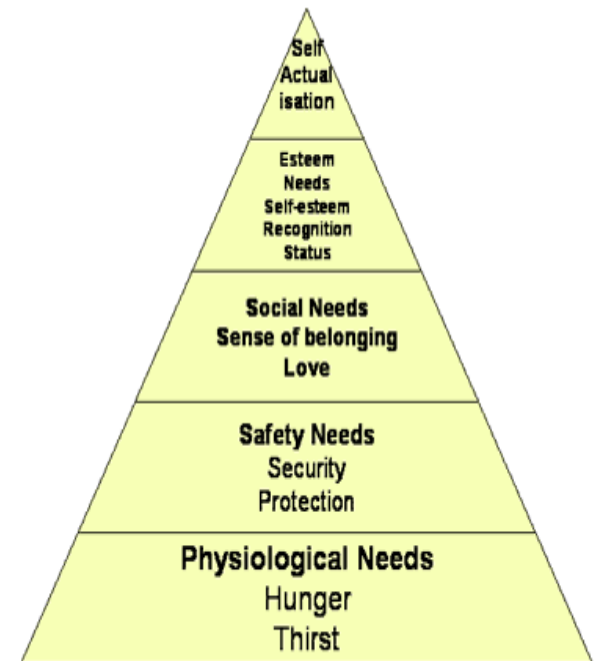


**“My boss’s latest motivational idea:
Bring Your Bills To Work Day.”**

Motivation Theories

Content Theories

- Motivation in terms of need satisfaction
 - Maslow's (1954) hierarchy
 - McClelland (1961)
 - Achievement, affiliation, and power. Economic success?
- Limitation?



Motivation Theories

Process Theories

- Equity Theory
- Limitations?

Motivation Theories

Process Theories

- Expectancy Theory
 - ↳ Motivation = $V \times I \times E$
- Cultural differences?

Motivation Theories

Process Theories

- Goal Setting
- To motivate, goals must have:
 - Clarity
 - Challenge
 - Commitment
 - Feedback
 - Task complexity

Motivation Across Cultures

Motivational Implications of Differing Self-Concept

- Depends on whether they view themselves as independent or interdependent with others.
 - E.g. Chinese (collectivists) high need to comply, socially oriented achievement and low levels of individually oriented achievement and



The Implications of Culture for International Management

- Work Centrality
 - Is how important work is in the lives of employees.
 - Depends on and is affected by culture.
 - Varies across countries in its centrality.
 - Changes over time within cultures.
 - Creates the need for managers to adjust their management approaches to match specific cultures.

Meaning of Work – work goals

- Why do people work?
 - Needed income?
 - Interest and satisfaction?
 - Contacts with other?
 - Commitment?



Would **YOU** continue to work if you won the lottery?

- Japan 93%
- UK 69%

- Interesting work (doing what you like) is key

Rankings of the Importance of Work Goals by Country

Work Goal	Country Studied							
	Belgium	Germany	Israel	Japan	Netherlands	U.S.	Former. Yugoslavia	U.K.
Interesting work	1	3	1	2	2	1	2	1
Good pay	2	1	3	5	5	2	3	2
Interpersonal relations	5	4	2	6	3	7	1	4
Job security	3	2	10	4	7	3	9	3
Match of job/skills	8	5	6	1	6	4	5	6
Lots of autonomy	4	8	4	3	1	8	8	10
Opportunity to learn	7	9	5	7	9	5	4	8
Work variety	6	6	11	9	4	6	7	7
Good hours	9	6	7	8	8	9	10	5
Safe working conditions	11	11	9	10	10	11	6	9
Opportunity for promotion	10	10	8	11	11	10	11	11

Source: International Research Team *The Meaning of Work* London

Note: Ranking of work goals ranges from 1 = most important to 11 = least important.

Designing Motivating Jobs

- How do the characteristics of the job affect worker motivation.
- **Three cultures:**
- Sociotechnical systems (Northern Europe)
- Quality control circles (Japan)
- Job characteristics (US model)





LEADERSHIP

Defined?
(Yukl 2002, p. 7).



How would you define leadership?

“In Mexico, everything is a personal matter; but a lot of managers don’t get it. To get anything done here, the manager has to be more of an instructor, teacher, or father figure than a boss”

Example of “universal” leadership

- **Transactional leaders**

- create employee satisfaction through negotiating for desired behaviors or levels of performance
- ensure that conduct and procedures are followed

- **Transformational leaders**

- strive to raise an employees’ level of commitment and to foster trust and motivation
- communicate a sense of mission, stimulate new ways of thinking



Leadership Issues Unresolved

- Is leadership a global concept?
- Is there a comprehensive set of leadership behaviors and styles that are universally important?
- Are such traits conceptually and functionally equivalent?
- To what extent are specific leadership characteristics enacted differently?



Western Leadership Theories



- Trait Theories

- Personality characteristics

- Behavioral Theories

- What leaders actually DO (can be developed)
 - e.g. task and relationship oriented

- Contingency Theories

- Situation moderates the relationship between leadership styles and effectiveness
 - Culture as a contingent? Filipino vs. Chinese workers

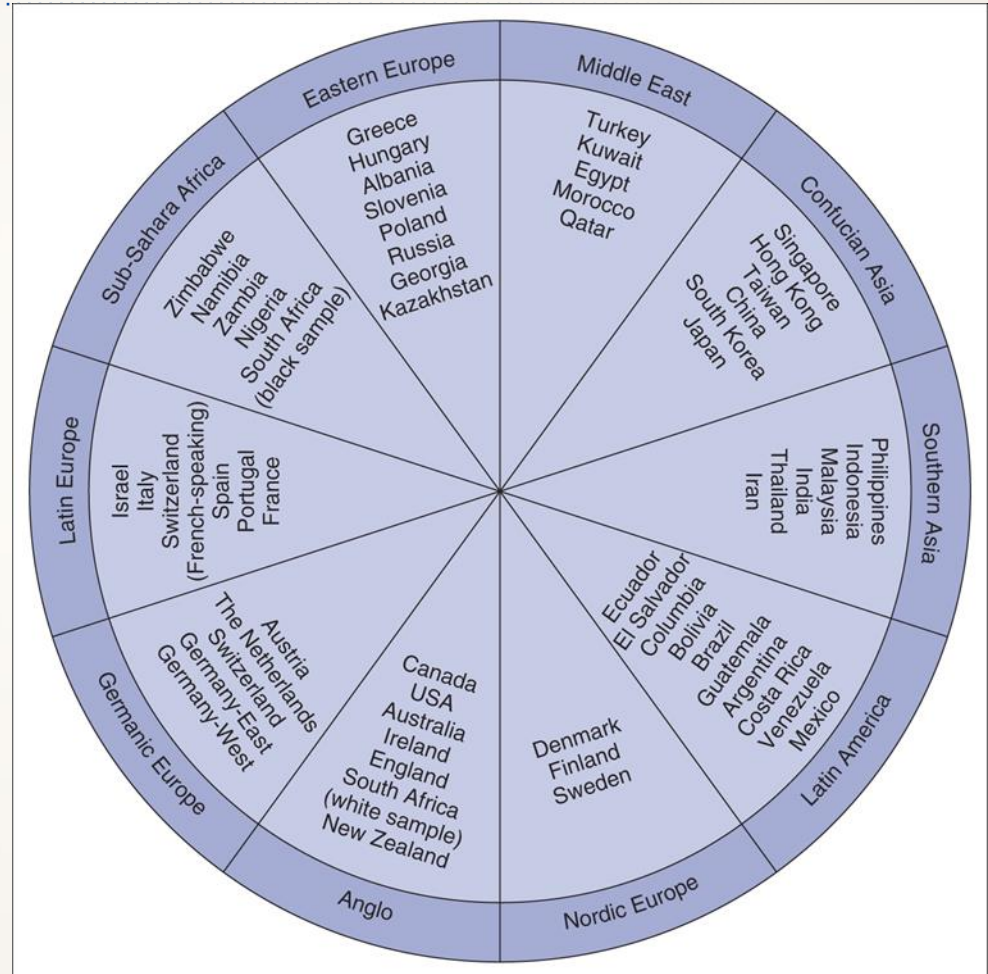
- Implicit Theories

- Define leadership as the process of being PERCEIVED as a leader; followers develop mental representations on leaders based on social situations and interactions – meeting those expectations.

GLOBE Leadership Research

Culture-contingent:

- Charismatic
- Team-Oriented
- Participative
- Humane-Oriented
- Autonomous
- Self-Protective (status conscious)



Ten Distinct Groupings of the Societies Being Studied (Clusters)

Six Leadership Styles

GLOBE Study Findings

Six Leadership Styles	
Charismatic/Valued-Based:	Stresses high standards, decisiveness, and innovation; seeks to inspire and motivate people around a vision; creates a passion for performance centered on core values.
Team-Oriented Style	Instills pride, loyalty, and collaboration among organizational members; highly values team cohesiveness and a common purpose or goal. Leader is administratively competent in order to motivate and garner trust.
Participative Style	Encourages input from others in decision-making and implementation; and emphasizes delegation and equality; opposite of autocratic.
Humane Style	Stresses compassion and generosity; is patient, supportive, and concerned with the well-being of others. The nature of communication aims to avoid conflict; the process of communication focuses on supporting others and therefore maintaining cohesion.
Autonomous Style	Is characterized by an independent, individualistic, and self-centric approach to leadership (reported as a hindrance to outstanding leadership and mildly helpful in others).
Self-Protective Style	Focuses on the safety and security of the leader as well as the group; self-centered and face-saving in its approach (reported as a hindrance to outstanding leadership).
Adapted from GLOBE Study, House, 2004	

What People Want in a Leader

Across all 62 countries in the GLOBE Leadership Study, people want their leaders to be:

- Trustworthy
- Just
- Honest
- Decisive
- Etc.

HOWEVER, *how* these traits are expressed and enacted may still noticeably differ from society to society.

Example

- For a leader to be described as decisive in the US, s/he 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.

Leadership Across Cultures



- Specific cultural traditions and norms are bound to differentiate leadership styles (Smith and Peterson 1988).
 - Countries with a **high power distance** prefer autocratic leadership while countries with a **low power distance** prefer a more participative style (Hofstede, 1980)
 - Employees in **individualist** countries prefer more freedom and autonomy while those in **collectivist** cultures favor security and in group harmony (Triandis, 1994)

Non-Western Theories of Leadership

- Performance-Maintenance Theory (Japan)
- Leadership in the Arab World
 - Tribal influences, religion, and Western interaction
 - Sheikocracy leading to *duality*
- Paternalism
 - Hierarchical relationship between the leader and follower in which the leader, like a parent, provides direction in both professional and private lives in exchange for loyalty.
 - Collectivist and high-power distance – Africa

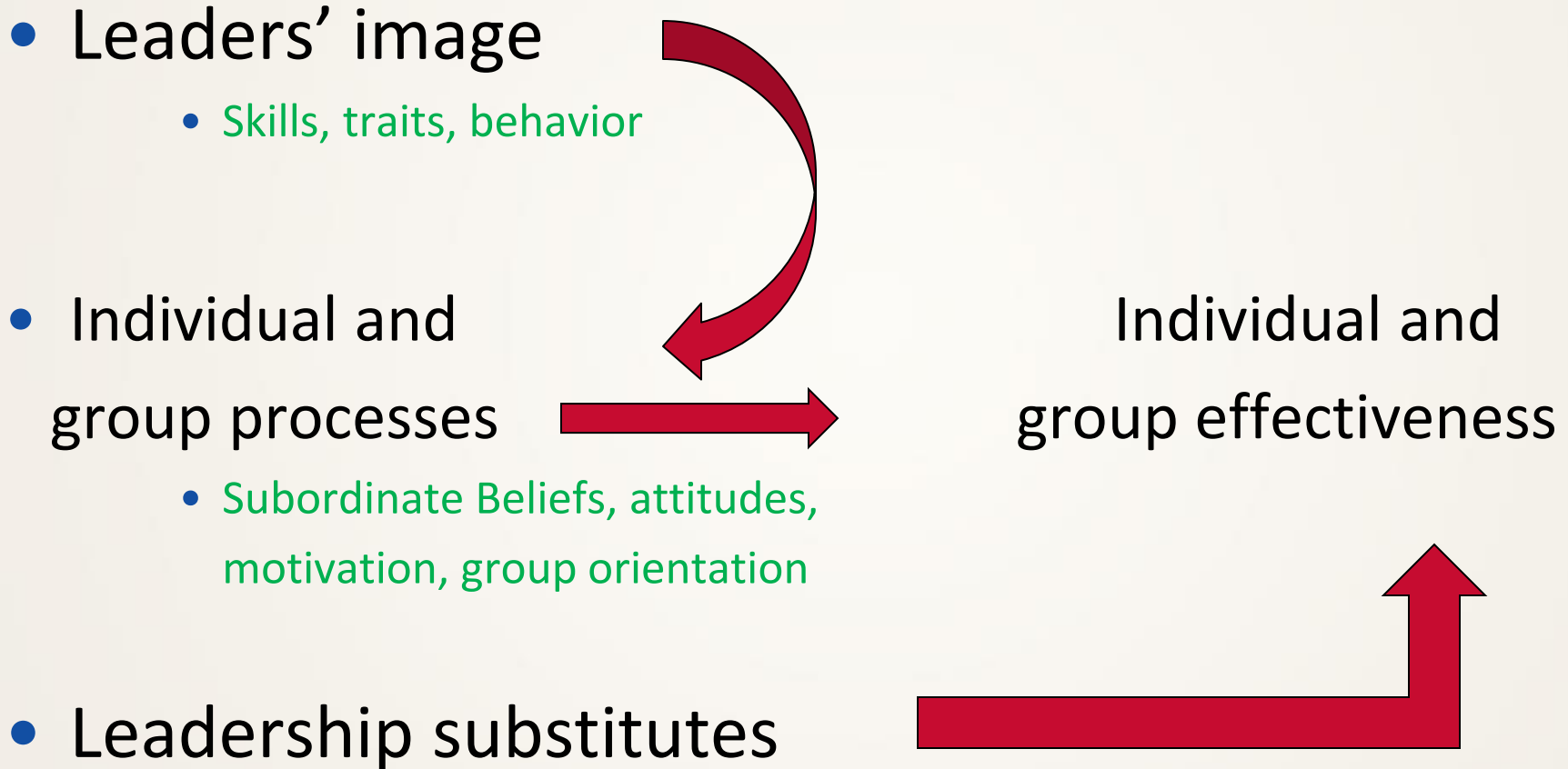


Counter-argument



- Leadership **traits** transcend national cultures.
 - common technological imperatives
 - common industrial logic
 - generally accepted accounting principles
- **Global corporations and international joint ventures diffuse cultural values**
 - harmonize management practices and structures

Integrated Cross-Cultural Model of Leadership



All affected by cultural variation

Implications for Leadership Practice

- Universal Leadership Functions
 - Certain characteristics and traits in different cultures lead to *perceptions* of leadership.
- Culture-Specific Leader Behaviors
 - The specific behaviors that indicate particular leadership dimensions are *culture specific*.
- Situational Moderators
 - Outside manager's *control*: organizational procedures or times of crisis etc.