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Claremont McKenna College

Examining how the Cultural Differences Between Countries Influence Individual's Perceptions of a Successful Leader

> submitted to Professor David Day

> > by Karen Almachi

for Senior Thesis Fall 2022 5 December 2022

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Como dice mi papá, todo sacrificio tiene su recompensa. Without my parents' sacrifices and encouragement, I would not be where I am today. I would like to thank them both for helping me get this far. Gracias mamá y papá por todo.

Abstract

This literature review examines the influence of culture on an individual's perception of a leader. Research on cultural influences and perceptions is taken to establish an interconnection between the two. The research is analyzed through the lens of two theoretical frameworks: the implicit leadership theory and the cultural dimensions theory. The frameworks are used to operationalize cultural differences and perceptions. The research establishes six dimensions that describe cultural differences between countries. To put into perspective, two culturally different countries are examined for their perception of leadership: the United States and Ecuador. The United States has a low power distance, individualistic, masculine, and low uncertainty avoidance culture while Ecuadorian culture is a high-power distance, collectivistic, masculine, and high uncertainty avoidance. The main findings suggest a relationship between culture type and leadership style. In western culture, an individual with traits aligned with their culture is more likely to be perceived as a successful leader while in Ecuadorian culture, there is a different perception of an ideal leader. Overall, culture influences a society's perception of leaders in terms of the type of traits, characteristics, and behaviors that they should be exhibiting. Individuals who do not match the categorization would not be perceived as a leader by others. *Keywords* – culture, perception, implicit leadership theory, cultural dimension theory, leadership

Section 1: Introduction

This thesis will examine whether cultural differences between countries influence employees' perception of a successful leader. Individuals with conflicting perceptions of a successful leader can lead to a team lacking harmony impacting work performance and effectiveness. While there has been extensive research on leadership styles and teamwork focusing on the characteristics of an effective leader, there is far less research on the cultural influence on perception.

Leadership is a common concept in organizational psychology and is one of the main components for the success of any organization or teamwork-related activities. According to the American Psychological Association, a leader is "one who is thought to possess the qualities or characteristics associated with individuals who rise to positions of authority in groups and organizations" (American Psychological Association, n.d.). Leaders serve as the backbone of an effective team by taking the lead and serving as the guiding point for everyone else when it is needed. Leadership plays an essential role in the effectiveness and success of an organization. Researchers have studied the relationship between effective leaders and employee performance. It was found that employees considered as essential assets by their leaders would perform significantly better than employees whose leaders did not consider their employees in the same way (Kalsoom et al., 2018). Leadership is a priority for many organizations for those reasons.

An effective leader cannot be defined with one single definition because there are multiple aspects of leadership to consider. For instance, there are multiple types of leadership styles that individuals can practice while in a leadership position. Yet, out of the different types of leadership styles, there is not one style of leadership that is deemed the best fit for every situation. Not only that, followership plays an equally important role as leadership because,

without followers, a leader does not have the support and guidance needed for achieving the leader's and team's goals (Uhl-Bien et al., 2014). There are multiple components to consider when determining the best possible way to encourage success in an organization, develop an ideal leader, or simply determine the best way to improve employee satisfaction and performance as a leader.

Through a methodology that examined the various frameworks and studies related to leadership, perception, and cultural influences, a relationship is suggested between the cultural influences on an individual's perception of a leader. This literature review starts off with a discussion of the research studies relating to cultural influence and perception. The research studies demonstrate the importance of those two variables in leadership. The literature review continues on to the synthesis of the theoretical work from Robert Lord, Geert Hofstede, Eleanor Rosch, and others. Then, two countries with two different cultures were evaluated for their perceptions of successful leadership under the frameworks discussed earlier in the literature review.

Section 2: Variables Examined

Section 2.1: Research on Cultural Influences

There are various definitions of culture, and they all suggest that culture is defined through the collective norms, beliefs, and behaviors shared by individuals in a community or group (Lehman et al., 2004). These cultural aspects are typically distinct from one culture to another (Lehman et al., 2004). To expand on that, Harris and Moran argue that culture gives individuals a sense of who they are, how they should behave, and what they should be doing, thus, impacting the individual's behavior, morale, and attitudes (Harris & Moran, 1996). Having an organization with individuals coming from different cultures creates a space where these individuals are joined with various experiences, values, and ideals. Those experiences help shape an individual and the manner in which they see the world around them. It is important to know the power of cultural influences because it extends to multiple parts of an individual's everyday life. By undermining or underestimating the influence of culture, it can create a situation where cultural influence as the key part to a solution to an issue is being looked over, such as whether the dynamics of a team are working or not.

The role of culture is significant in the development of leadership prototypes. A leader prototype is a cognitive representation of a leader with features thought to be shared by individuals who are considered leaders (American Psychological Association, n.d.). Each cultural group has its own slightly unique variants of the ideal characteristics needed for effective leadership meaning that a leader's behavior and characteristics will be evaluated vastly differently across individuals of different cultures (Den Hartog et al., 1999). Attention on diversity is increasing and discussions about improving diversity have been a topic of conversation across multiple industries, sectors, and organizations. With increased attention on

diversity, equity, and inclusive (DEI) initiatives and policies, companies are promoting a workplace that welcomes diverse employees of various ages, races, ethnicities, religions, genders, sexual orientations, and more.

In a survey conducted by the Organizational for Economic Cooperation and Development (OECD), 85% of Human Resources (HR) managers who were surveyed reported that over the past years, the importance of diversity in the workforce has increased (Kuklenski, 2021). This shift towards greater attention to workforce diversity calls for a shift in the workplace culture. Traditional organizational structures will no longer be as effective in contributing to a successful organization because of the changes in values, norms, and broader societal expectations. For example, an organization that once thrived under an authoritarian leadership will collapse under similar management because of pressures toward inclusiveness as part of the greater emphasis on diversity. The point of this example is to emphasize the importance in understanding the dynamics of a team which aggregate to form an organization. A leader who can adapt can respond to change and recognize the necessary changes needed to be made to achieve their end goals.

National culture is part of an individual's identity, and this part of an individual's identity is impacted by various factors. Cultural differences should be embraced and appreciated for the new perspectives that it brings to a team. These different perspectives help develop creative, never thought of before approaches to problems. With a lack of diversity, it was found that women, people of color, and LGBT+ members were respectively 20%, 24%, and 21% less likely to share their ideas causing missed crucial market opportunities (Hewlett et al., 2013). Companies and organizations can further advance with diversity. Individuals are challenged to think in new and more innovative ways driving growth within an organization. For a business,

the key to having a competitive advantage against other firms is through innovation since the effects of innovation will enhance the competitiveness of a firm (Neely & Hii, 2001). Companies strive to improve because a successful company brings in greater amounts of revenue and better progress than a company that remains stagnant. For those reasons, the role that cultural diversity has in the success of a business is important. Culture has been established as a factor that can influence an individual's outlook on life and it is important to consider as it gains more importance. Individuals from different cultures are experiencing and learning different values, behaviors, and beliefs. Thus, the different values, behaviors, and beliefs impact the individual's perspective on the world. Now, perception is another concept that is important to research.

Section 2.2: Research on Perceptions

Perception is simply the result of observing and becoming aware of certain objects, relationships, and events, and the results usually come from interpreting those elements into something meaningful (American Psychological Association, n.d.). Perceptions can be influenced by stereotypes and other cognitive biases. Stereotypes are oversimplified generalizations, or they can be described as beliefs or expectations about a group or a social category (American Psychological Association, n.d.). As for biases, individuals will always have them whether it is conscious or unconscious. Biases are the inclination to favor one group, person, or object over another resulting from an unreasonable and unfair judgment (*Definition of Bias*, n.d.). Research has been conducted to gain a better understanding of the implications of perceptions on leadership. Individuals are perceived by others and adjust their behavior accordingly when interacting with certain groups based on their perception. Thus, it is essential to gain that understanding and learn to adapt. Effective leaders are able to adjust their styles

because there are circumstances where the "selection of an appropriate leadership style depends on the situation" (Sethuraman & Suresh, 2014, p. 171).

Perceptions are influenced by various factors, which can influence behavior. Certain social stimuli and situations shape the manner in which an individual will behave at that moment (Ferguson & Bargh, 2004). An individual with a negative perception of a leader could negatively influence their own behavior and vice versa. Previous studies examine the relationship between leadership style and work performance and effectiveness. In a longitudinal research program, employees from seven different companies across three different industries were studied to examine how leader behaviors would affect perceptions of leader support and their creativity (Amabile et al., 2004). This study serves to demonstrate the importance of studying perceptions since it impacts the manner in which individuals are deciding to behave in the world. The results of the analysis suggest that "leader behaviors precipitate subordinate perceptual and affective reaction, which in turn influence subordinate creative performance" (Amabile et al., 2004, p. 26). In a team, the members are paying attention to the leaders and the behavior that they exhibited. It was hypothesized that certain leadership behaviors correlate with leadership styles. Eight leader behaviors were found significantly related to leader support (Amabile et al., 2004). Four positive forms of leader behaviors - monitoring, consulting, supporting, and recognizing - were positively correlated with perceived leader support while the three negative forms of leader behaviors – problem-solving, clarifying roles and objectives, and monitoring – were negatively correlated with perceived leader support (Amabile et al., 2004).

The research of Amabile and colleagues (2004) suggests that individuals have a certain perception of the support they receive from their leader based on the certain behaviors that the leader was displaying. An individual's perception of their leader plays an essential role in

achieving a successful outcome. Specifically for this study, an individual who values support would perform better with a leader who is perceived in that form; however, it is important to note that there are multiple factors impacting performance.

Previous research establishes that leadership behavior impacts perceptions, yet it does not take into account cultural factors. As discussed, each cultural group has formed its own ideas of the ideal characteristics of a leader based on their previous experiences. Ideal leadership behaviors will look differently for different individuals from various cultures. For that reason, the association between cultural influences and the perception of successful leadership is going to be studied in this thesis.

To further examine this relationship between cultural influences and perceptions, there will be a closer look at the implicit theory of leadership and Hofstede's cultural dimension theory in the following section. These two frameworks provide insight into the reasoning behind the relationship between the two factors.

Section 3: Theoretical Approach to the Association Between Culture and Perception

Leadership takes on many forms and cannot be generalized into one representation of the ideal leader. Research has been conducted to better understand the process that individuals go through when defining leadership for themselves. Theorists have been able to investigate and develop frameworks that explain the concept of leader categorization. Individuals recognize that there are certain qualities pertaining to successful leadership, and the implicit leadership theory explains the process that individuals go through when determining those who are leaders and those who are not. There are instances where some individuals would consider certain individuals as leaders while others would disagree. This is where Hofstede's cultural dimensions theory comes into play. As discussed before, cultural difference plays an important role in an individual's outlook on life. Therefore, the different dimensions explained in Hofstede's theory will demonstrate how certain aspects can influence an individual's decision to categorize an individual as a leader or not.

Section 3.1: Implicit Leadership Theories

Implicit Leadership Theories help explain the cognitive categorization that individuals develop specifically about leadership (Offermann et al., 1994). From life experiences, individuals distinguish between bad and good leadership or between leadership and followership. Individuals decide whether one is a leader or not. The idea of leadership varies across individuals, and the implicit theory can help provide a more structured framework for the categorization that occurs within individuals' minds (Offermann et al., 1994).

Robert Lord's implicit leadership theory is a cognitive theory first developed to provide a better understanding of leadership attributions and perceptions (Den Hartog et al., 1999). It was based on the cognitive categorization work pioneered by Eleanor Rosch that explains the two

principles for the formation of categories (Offermann et al., 1994; Shondrick & Lord, 2010). The two principles are cognitive economy and perceived world structure. The first principle states that category systems are in place to provide an individual with the "maximum information with the least cognitive effort" while the second principle states that these structures are in place so that "the perceived world comes as structured information rather than as arbitrary or unpredictable attributes" (Rosch et al., 1978, p. 28). Categories are developed because it allows for cognitive processing to occur in an efficient manner.

When an individual comes across someone who exhibits clear and salient characteristics. the individual engages in a process of matching that person into a category. In this process, there is the potential of matching them to a leader category thus perceiving that certain someone as a leader (Shondrick & Lord, 2010). With these pre-established categories, there is a foundation set in place about the expectations of the way of the world. Rosch's cognitive categorization work fits into Lord's implicit leadership theory because whenever individuals perceive someone as a leader or not, it is based on the category system that they have developed. These systems were developed to bring structure that assists in predicting outcomes (Rosch et al., 1978). When an individual is perceived and categorized as an effective leader, there is an expectation that the leader will guide the group to achieve their objectives resulting in a successful outcome. This ties back to the implicit leadership theory. The implicit leadership theory suggests that individuals make assumptions and create expectations about the characteristics and traits innate to a leader, which influences an individual's perception of a leader regarding whether the individual is a leader or not in their eyes (Lord & Maher, 1993; Den Hartog et al., 1999). The expectations and assumptions made about the characteristics and traits of a leader do not come from anywhere.

Culture is one of the factors that impact the assumptions and expectations set for leaders by other individuals. As was discussed, culture impacts an individual's experiences, values, and ideals which shape the manner in which the individual views the world around them. With an implicit leadership theory, individuals have these expectations and perceptions about what makes a good leader. Those expectations and perceptions are partly shaped by life experiences that are heavily influenced by culture. Therefore, it is fair to assume that there are multiple implicit leadership theories as a result (Schyns, 2006).

Section 3.2: Cultural Dimensions Theory

To understand the impact of culture on perception, there needs to be an understanding of what differentiates one culture from another. It has been established that individuals have an implicit leadership theory whereby they categorize individuals based on their characteristics and behavior. The system of categorization is based on the preconceptions of the individuals as leaders. This system is influenced by culture. Different culture groups mean that each group has its own way of thinking, feeling, and acting as a result the social construct developed, which is developed differently in different cultures (Spencer-Oatey, 2012).

The development of expectations of leaders and the social construct of leadership are formed differently because of cultural differences, which is further explained by cultural dimension theory. Geert Hofstede's cultural dimension theory is a psychological theory that has been widely recognized for examining cultural differences. With access to a database from a survey completed by over 100,000 individuals in more than 50 countries, Hofstede constructed his framework of cultural differences across national societies (Hofstede, 1984). The study surveyed employees working for the technology company IBM and examined their different values pertaining to values in the workplace (Hofstede, 1980). In Hofstede's (1980) framework, cultural differences can be distinguished into six different dimensions with two of these dimensions being added on after further research was done by Michael Minkov and Hofstede (Hofstede, 2011). The dimensions are listed below (Hofstede, 1980):

- Power distance is the extent to which individuals are expecting and accepting of the power inequality
- The uncertainty avoidance index refers to a society's tolerance for an ambiguous future
- 3. Individualism versus collectivism is the extent to which a society values independence and self-reliance over being part of a united, cohesive group
- 4. Masculinity versus femininity is the degree to which a society prefers masculine or feminine values
- 5. Long-term versus short-term orientation refers to the decision to focus on either the future or past and present events of life
- 6. Indulgence versus restraint refers to a society's degree of control for gratification and tendency to indulge in natural human desires

The difference in cultures can be discussed in terms of these six dimensions. These dimensions help build a better understanding of the values that different cultures have, and it helps understand the reasonings behind individuals valuing different styles of leadership.

For example, those in a low-power distance culture demonstrate a preference for achievement-oriented leadership, and those in high uncertainty avoidance culture prefer leadership styles related to directive, supportive, and participative styles (Ag Budin & Wafa, 2015). In a low-power distance culture, there is a greater desire from society to have an equal distribution of power (Worthy et al., 2020). When a group of individuals grows up in a culture

valuing equal power distribution, their preferences in leadership styles and leaders will lean towards methods that exhibit those values. Therefore, the achievement-oriented leadership style is compatible with a low-power distance culture based on the results of that study. In an achievement-oriented leadership style, leaders develop highly challenging goals for their subordinates implying to them that their leaders have full confidence in them performing their best and successfully accomplishing a complex task (Lumbasi et al., 2015). The achievement-oriented leadership style would not be as efficient in a high-power distance culture because individuals part of that society have different expectations. In a high-power distance society, individuals are more willing to accept hierarchies where rankings are accepted without needing any reasoning (Hofstede, 1980). Each individual has their own role to play in an organization, so there would not be a desire for a leadership style that demonstrates equal power between leader and subordinate. The theory suggests that the implicit leadership theories of individuals who are part of low-distance cultures will differ from the implicit leadership theories of individuals who are part of a high-power distance culture in these ways. By considering this one dimension, it can be seen how cultural differences impact an individual's perception of a leader. When taking into account the other five dimensions of cultural differences, it can be expected that an individual's overall perception of a leader differs from other individuals. This can be seen by examining the other dimensions and the results that were found.

In the same study, it was found that individuals in collectivist cultures had a significant relationship with supportive, participative, and achievement-oriented leadership styles (Ag Budin & Wafa, 2015). As discussed before, individuals are categorizing others as leaders or not based on the expectations and assumptions that were shaped by their cultures. A collectivist culture emphasizes the values related to relationship building and loyalty while individualistic cultures

stress the importance of achievement and individual rights and focus on themselves more (Worthy et al., 2020). Thus, leadership styles centered around those values would be the best fit.

To further review these theoretical concepts, an in-depth examination of two different countries with distinct cultures will be conducted through a review of multiple studies related to the countries.

Section 4: Application to Countries

Before proceeding with the leadership in specific regions and cultures, it is important to note that each leadership style associated with each region is the style found most commonly in these regions rather than a leadership style that is directly correlated to those regions. When looking at different countries, it is difficult to generalize for the entire region because within each region there are a variety of cultures. The studies that are examined are used to gain an understanding of the perceived leadership styles that individuals from different cultures find most effective. This also goes for the type of culture that each region is described as when using the cultural dimension theory. The two regions that will be examined in this thesis will be the United States and South America, specifically Ecuador.

Section 4.1: Perceived Leader in the United States

To examine how the culture in the United States impacts an individual's perception of a leader, the type of culture in the United States needs to be defined, which can be done in terms of the six dimensions developed by Hofstede (1980). A country's culture can be explored with the 6-D Model. The 6-D Model of National Culture provides a numerical summary on a scale from 0 to 100 for each dimension from Hofstede's theoretical framework (*Country Comparison*, n.d.).

Through the lens of the 6-D Model, the United States scores 40 on the power distance dimension, 91 on the individualism versus collectivism dimension, 62 on the masculinity versus femininity dimension, 46 on the uncertainty avoidance dimension, 26 on the long versus short term orientation dimension, and 68 on the indulgence versus restraint dimension (*Country Comparison*, n.d.). These scores place the United States as a country with a culture that can be described as low power distance, individualistic, masculine, low uncertainty avoidance, long-term oriented, and indulgent.

A low power distance culture tends to expect a more democratic approach from its leaders and values equality among superiors and subordinates (Worthy et al., 2020). Leaders who demonstrate these principles and implement these values into their behavior are more likely to be favored. With a score of 91, the United States has been reported to have exhibited more of an individualistic culture. It is expected because Western cultures are more known to have an independent individualism perception (Hamedoğlu et al., 2012). As discussed earlier, individuals part of individualistic cultures have been found to show a preference for supportive, participative, and achievement-oriented leadership styles (Ag Budin & Wafa, 2015). Leaders who display characteristics aligned with those leadership styles will be perceived in a better light than leaders who display opposing characteristics. Employees are more likely to be self-reliant and to take initiative in the business world in the United States (Country Comparison, n.d.). This aligns with a democratic leadership style. In that leadership style, it is also known as the participative style where employees are encouraged to take part in the decision making and leaders take into account employees' input (Khan et al., 2015). This type of leadership style also allows room for growth since employees are implementing their own ideas in the group. As a masculine culture, the United States values "competitiveness, assertiveness, material success, ambition, and power" (Worthy et al., 2020, p. 2). Leaders exhibiting these traits are perceived in a better light than those without these traits.

As mentioned before, the culture in the United States constructs a tendency for individuals to gravitate toward leaders with characteristics resembling democratic leadership (Hamedoğlu et al., 2012). When an individual is surrounded by a certain type of leader, they begin to develop their implicit leadership theories. Individuals form cognitive categories. As discussed, these categories are formed to allow for an organization of the perceived world that

allows people to form semi-accurate perceptions from relatively thin perceptual data. From life experiences, individuals begin to identify an image of a leader based on previous accomplishments or failures. Under democratic leadership, employees appreciate the trust that they receive from their leaders (Khan et al., 2015). Having your ideas heard and implemented can be an achievement for some employees. In the future, an individual will associate successful leadership with those characteristics. This is where perceptions of leadership come into play. Cultural influences impact an individual's perception of successful leaders. Culture helps shape an individual's preferences. An effective leader is represented based on the individual's own ideas and perceptions (Khan et al., 2015). There are two other cultural dimensions to consider when discussing the United States culture.

The other two cultural dimensions of the United States are low uncertainty avoidance and long-term orientation. As a country that has a culture of low uncertainty avoidance, individuals accept ambiguity in their lives, are more willing to take risks, and see the benefits of conflicts and competition (Hamedoğlu et al., 2012). A culture with individuals with low uncertainty avoidance has a greater "degree of acceptance for new ideas... and a willingness to try something new or different" (*Country Comparison*, n.d., p. 1). In a long-term oriented culture, there is a greater importance on the future and not as focused on the immediate needs (Hamedoğlu et al., 2012). As with the other cultural dimensions, these cultural factors aid in forming conceptions of what a leader should be and act.

The United States has developed a culture that values self-reliance and ambition. It is a culture that focuses on equality where input is valuable coming from individuals from various ranking positions. Since these are the values of the culture in the United States, it will impact the behavior of those individuals as well. Individuals will react in a manner that reflects these values.

In the United States, successful leaders take this into account, and individuals recognize leaders who do this as well. Individuals perceive others as successful leaders when the leader plays into their expectations of what a leader should be.

Section 4.2: Perceived Leader in Ecuador

After examining the United States culture and its influence on perception, we will examine another region: South America. South America is composed of multiple countries; however, there are some noticeable patterns in South America regarding ideology. In 1998, there was a shift towards the left in political ideology (Weyland et al., 2010; Bartell & Payne, 1995). Governments play an important role in influencing societies. In the business world, Latin American countries have encountered authoritarian regimes (Bartell & Payne, 1995). That being said, each country still has various cultures within them meaning there is room for various perceptions.

To minimize the amount of variation within this vast area, we will concentrate on one country, and that country will be Ecuador. This country was chosen to be examined because of the distinct culture it has compared to the United States but shares a similarity. Even though in this thesis Ecuadorian culture is discussed as one whole, it is important to note that there is still a decent amount of cultural variation within this one country. Also, the findings taken from this country can be generalized to South America to a certain extent.

Ecuadorian culture is defined through the lens of the 6-D Model. In the model, Ecuador scores 78 on the power distance dimension, 8 on the individualism versus collectivism dimension, 63 on the masculinity versus femininity dimension, and 67 on the uncertainty avoidance dimension (*Country Comparison*, n.d.). Currently, there is no data for Ecuador on their score for the dimension of long versus short-term orientation and indulgence versus

restraint. With these scores, Ecuador has a high-power distance, collectivistic, and masculine culture with high uncertainty avoidance.

Similar to the United States, Ecuadorian culture is masculine in which individuals are driven by "competition, achievement, and success" (*Country Comparison*, n.d., p. 1). Again, these are the traits that are valued in a leader. A leader who has a highly competitive attitude will react to situations differently compared to an individual who does not share the same mindset. This is the moment in which leaders are distinguished from the rest. Individuals perceive others based on their behaviors, and the behaviors that individuals learned are influenced by the culture in which they grew up.

Opposite to the United States, Ecuador has a high-power distance and collectivistic culture. This type of culture does not expect superiors and subordinates as equals, for example, higher-ups are more likely to not consult their employees when making decisions (Hamedoğlu et al., 2012). Individuals accept the hierarchy in place. This aligns with the Latin American business leaders who lead with an authoritarian rule (Bartell & Payne, 1995). Under an authoritarian style of leadership, leaders "provide clear expectations for what needs to be done, when it should be done, and how it should be done" (Khan et al., 2015, p. 88). In a collectivist culture, it is important for individuals to be part of a group where there is a great sense of unity among all members of the group (*Country Comparison*, n.d.). Another difference between the cultures of the United States and Ecuador is uncertainty avoidance. Ecuadorian culture has a high uncertainty avoidance meaning that individuals of this society value structure and avoid the unknown (Hamedoğlu et al., 2012). In this type of society, an individual who demonstrates certainty and clear intentions are better able to connect to this community. Behavior is

influenced by culture, and it influences the manner in which individuals are perceived (Block, 2003).

By looking at those two different regions, the United States and South America, it can be seen that these two have distinct cultures that influence their society's outlook on leadership. These perceptions are formed matter because they can affect engagement and productivity (Mircioiu, 2020). Teamwork is essential because it factors into an organization functioning smoothly leading to an increase in employee performance (Farh et al., 2012). In a business, an employee's performance determines the number of gains that a business achieves. Thus, a company or business will lean toward a leadership style that promotes better results from their employees resulting in different business designs across countries.

Section 5: Discussion and Conclusions

Section 5.1: Implications

The connection between culture and leadership perception is a research topic that has received extensive scholarly attention. With the research review conducted in this thesis, individuals can have a more comprehensive idea of cultural influences, especially comparing the US and Ecuador.

The implication of the research suggests that there is great importance in appreciating and accepting cultural differences. Cultural awareness allows individuals to better communicate with others in an effective manner. By taking the time to understand the team's cultural background, a leader is able to learn how to manage a team in the best ways possible. The research suggests that individuals from different cultures would have the tendency to prefer different leadership styles. A leader who chooses to ignore that will be placed in a situation where they do not understand their team. Therefore, there is an importance to being culturally aware. However, it is important to note that this would look different for leaders who are managing larger groups of people compared to those leading smaller teams. This could be a chance for future research by taking a look at the difference it makes whether leaders should put a greater emphasis on recognizing cultural differences in larger or smaller teams.

Another implication is the significance of being able to implement these findings into training programs. Diversity in the workplace is becoming more common. Individuals are joining organizations with different expectations for their leaders. Followers are usually told from the start about the expectations and objectives to be completed as part of their jobs. Leaders and followers work together to achieve their main goal, however, there are various paths that they can take to achieve their goal. Formal leadership training programs that go over the different

leadership styles would aid leaders in gaining insight into the benefits and drawbacks of using one style over another in a certain situation. These types of orientations are significant because there is not one perfect leadership style.

An additional implication is the importance of adaptability. As mentioned before, one type of leadership style cannot effectively be used to lead others in every situation that they may come across. Different situations require a need for switching leadership styles. An individual who cannot recognize the importance of adaptability will face obstacles with engaging with everyone part of their team. A leader should be able to bring out the best in others, and this is done through different methods of leadership. While a leader may recognize the cultural difference in their team, it is as important to be able to take action. Using information gathered about a team, leaders guide their group in a strategic manner. That being said, in a previous study conducted by GLOBE researchers, charismatic and value-based leadership was found to be universally effective, and participative leadership was found to be more culturally sensitive (Dorfman et al., 2012). Leaders can adapt to these leadership styles to better engage with a wider range of people within their organization and team.

Section 5.2: Limitations and Future Research

This literature review is limited to previously conducted studies that were found to align with the main subject matters of this thesis. This thesis is limited to a cross-cultural examination of two countries. Comparing more than those two countries could provide better insights into cross-cultural leadership perceptions. The variables that were examined in this thesis have their own limitations such as studying cultural influences. Cultural differences exist within regions, societies, and countries. Thus, the broad assumptions being made across countries should be accepted with some reservations. The concept of culture is broad in the idea that there is not one

set way to describe the various cultures in each country. Therefore, it is essential to have a structured framework to serve as a starting foundation for a cross-examination. Even then, there are critiques of the frameworks discussed in this thesis. For perceptions, there are multiple approaches to measuring this abstract concept. While Hofstede's cultural dimension framework was used to bring some structure into the discussion, different studies have different study designs and scales for measuring perception. With all this being said, the literature review does provide insight into the implications of cultural influences on perception relating to leadership and leaders.

For future research, a continued study of Hofstede's empirical study would bring a more comprehensive understanding of cultural differences. The development of this detailed study would help provide insight into the cultures not first captured in previously conducted research. This would include exploring cultures through a closer lens than just separating cultures by country. Within bigger countries, there is a greater opportunity for variations to happen. Continued research would also help examine any other cultural difference dimensions that may have developed in the past years. Society and the values that were once prevalent decades ago have a possibility of shifting for example the shift of the view on gender roles. The evolution of modern societies is viewed in parallel with the changes in technological advancements, role opportunities for both genders, policy on equality, and value generalization (Giele & Holst, 2003).

Finally, it would be beneficial to study more about the importance of leaders' perceptions. The perception of leadership from followers is equally as crucial as the leader's perception of their followers (Shondrick & Lord, 2010). The exploration of the dynamic between leaders and followers builds a more well-rounded understanding of leadership perceptions. An

individual who is not perceived as a leader can shift their behavior, and this process is also impacted by culture (Matthews et al., 2021).

By taking this research into consideration, individuals can further their development of leadership skills. It takes time to build a group of individuals into an effective team, and it is one of the many goals of leadership. Cultural differences influence various parts of an individual's life. By not recognizing the significance, individuals face the issue of being negatively perceived by their team leading to inefficiency. A leader who is open to continuous learning and improvement is a leader heading toward success.

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