Power Distance

Leadership is found as an important function in human groups all over the world. Everywhere, the **leadership** role is associated with power **and** status. Most **cultures** have symbols that convey power **and** status. For example, in some **cultures** leaders may be recognizable by objects or clothing they alone are allowed to carry or wear by virtue of their position. Such symbols are also found in the business world. Examples from that sphere are company cars, job titles, or office location **and** size.

Status **and** power differentials are found everywhere, although they are more visible or stronger in some **cultures** than in others. Geert Hofstede, a cofounder of the Institute for Research on Intercultural Cooperation, refers to **culture** as the collective programming of the mind. Power distance is one of the four dimensions of cultural variability that Hofstede discussed in his well-known 1980 study of IBM employees in forty countries. The other dimensions he discussed were individualism-collectivism, masculinity-femininity, **and** uncertainty avoidance. In later research a fifth dimension emerged, labeled Confucian dynamism (or a long versus short term orientation). This entry focuses on the impact of power distance on **leadership**.

Hofstede defines power distance as the extent to which a society accepts the fact that power in institutions **and** organizations is distributed unequally. Research has shown that power distance has a strong impact on organizational as well as personal functioning. For example, in a 1998 study, the researchers Randall Schuler **and** Nikolai Rogovsky found that the greater the power distance in society (that is, the more acceptance there is for unequal distribution of power in society), the less likely that companies in that society will have employee stock ownership plans. In the same year, the researcher Chet Robie **and** his colleagues reported that the relationship between job satisfaction **and** job level was weaker in low power distance **cultures** than in high power distance **cultures**.

Hofstede is not the only one to have studied power differentials as an important element of **culture**. All societies must find ways of eliciting responsible behavior from their members, but there are many different ways of doing so. Hierarchical **cultures** emphasize the chain of authority **and** rely on hierarchically structured roles. An unequal distribution of power **and** status is legitimate **and** expected. Employees are expected to comply with management's directives without questioning them. In contrast, egalitarian **cultures** encourage people to view each other as moral equals. Leaders motivate employees in a more participative manner **and** appeal to them to act on behalf of all. Employees typically have input into decisions **and** share in goal-setting activities.

In **cultures** with large differences in power between individuals, organizations will typically have more layers **and** the chain of command is felt to be more important. There is clearly a connection between power distance **and leadership**. For example, compared with their counterparts in low power distance countries, subordinates in high power distance countries are typically more reluctant to challenge their supervisors **and** more fearful of expressing disagreement with their managers. Not only are people in high power distance countries less likely to provide negative feedback to superiors spontaneously, the very idea that subordinates would be allowed to provide feedback is more likely to be rejected in high power distance countries, because such upward feedback may be perceived as threatening status positions.

Thus, power distance has an impact on subordinates' expectations **and** preferences (people want **and** expect

more guidance in societies with more power distance) as well as on acceptable or typical patterns of leader behavior (autocratic **leadership** is more acceptable **and** effective in high power distance societies).

BEING SEEN AS A LEADER: THE GLOBE STUDY

To be successful in a **leadership** role, leaders need to show characteristics or behave in ways that others equate with **leadership**. The vastly different types of leaders one can find in the media worldwide illustrate that people from different **cultures** associate different characteristics **and** behaviors with the **leadership** role. Power distance is one of the factors shaping cultural perceptions of effective **leadership**. For instance, some **cultures** expect their leaders to be bold, directive, **and** decisive heroes, whereas elsewhere a good leader may be someone who is calm, involves others in decision making, **and** seeks consensus before acting.

The GLOBE (Global **Leadership and** Organizational Behavior Effectiveness) Project is one of the largest studies of **leadership and culture** carried out to date. The project involves researchers from some sixty countries working together to collect different kinds of data on **leadership and culture**. A large portion of the study involves a survey among middle managers in three different industries. In total, more than sixteen thousand managers in more than sixty countries have participated in the survey.

One of the results of the GLOBE study was a report that lists which **leadership** attributes are universally endorsed as contributing to outstanding **leadership**, which are universally seen as undesirable, **and** which are culturally contingent. In all participating countries, an outstanding leader is expected to be encouraging, motivational, dynamic, **and** to have foresight. Universally, a leader is also expected to be oriented toward excellence, decisive, trustworthy, **and** intelligent. Several other attributes were universally viewed as impediments to outstanding **leadership**—for example, being noncooperative, ruthless, **and** dictatorial. The term *autocratic* **leadership** is often used to refer to leaders who do not allow subordinates to have any say in decision making. Dictatorial **leadership** can go even further, **and** depicts a situation in which leaders become feared tyrants. Although neither of these is seen as positive, the latter universally has the most negative connotations.

The importance of other attributes was found to vary across **cultures**. For example, being autonomous, unique, **and** independent were found to contribute to outstanding **leadership** in some **cultures**, but to be undesirable in others. People within a given **culture** tend to agree that a particular characteristic is desirable or undesirable, but vast differences exist between **cultures**. Culturally contingent attributes that contributed to outstanding **leadership** in some **cultures** while being seen as detrimental in others included being enthusiastic, subdued, indirect, intuitive, **and** compassionate.

Several of the culturally contingent attributes varied in accordance with whether there was a cultural preferences for high power distance or egalitarianism. For example, in high power distance **cultures**, people tend to react more favorably to leaders who were status conscious, class conscious, elitist, **and** domineering, whereas in low power distance **cultures** people tend to react negatively to leaders with those traits.

The GLOBE study combined **leadership** items into several dimensions of **leadership** characteristics, one of which was participative **leadership**—that is, **leadership** that is not autocratic **and** allows participation in decision making. Of the **leadership** dimensions, participative **leadership** is most directly related to power distance. The GLOBE study found that endorsement of participative **leadership** varied in different parts of the worlds, with regional clusters of **cultures** reacting similarly. For example, the Anglo cluster (which includes the United Kingdom, the United States, Canada, **and** Australia), the Nordic cluster (which comprises the Scandinavian countries), **and** the Germanic cluster (which includes Germany, Austria, Switzerland **and** the Netherlands) all were particularly attuned to participative **leadership**. By contrast, the Middle Eastern, Eastern European, Confucian Asian, **and** Southern Asian clusters did not endorse participative **leadership** as strongly.

LEADER BEHAVIOR: AUTHORITARIAN LEADERSHIP

Authoritarian leaders **and** autocratic decisionmaking procedures are likely to be more accepted **and** expected in high power distance **cultures**. For example, research showed that Dutch managers had a more negative attitude toward autocratic leader behavior **and** status consciousness than did Polish managers, which is probably related to the much more egalitarian values found in the Netherlands.

According to Hofstede, subordinates in high power distance countries see their managers primarily as well-meaning autocrats, whereas subordinates in low power distance countries prefer to see them primarily as resourceful democrats. In low power distance **cultures**, employees expect more say in decisions affecting their work. Hofstede describes some studies that compared the role of managers in France (which has a high power distance **culture**) **and** Denmark (which has a low power distance **culture**). The French respondents felt that their supervisor always had to be consulted simply because he or she was the boss, whereas the Danish indicated supervisors had to be consulted only when they were likely to know the answer to the problem. In France, managers were highly respected by virtue of their position, whereas in Denmark respect was much less dependent on position. Danish firms were also characterized by more delegation of authority **and** fewer layers of authority.

Other research highlighting the role of power distance focuses on employees' willingness to accept supervisory direction **and** their emphasis on gaining support from those in positions of authority. A 2001 study conducted by the researchers Nailin Bu **and** colleagues compared these characteristics among Chinese, Taiwanese, **and** U.S. employees by examining their responses to several vignettes. Overall, the Chinese employees in their sample demonstrated the strongest tendency to accept direction **and** the U.S. employees the least. Peer consensus had more influence on the tendency to accept in the United States than in Taiwan or mainland China. Also, Chinese employees were most sensitive to the consistency between the supervisory direction **and** company policies, **and** were less responsive to their own assessment of the merit of the directions they were given. The differences again seem to reflect differences in power distance. A 1995 study conducted by Scott Shane **and** colleagues focused on innovation in different countries. Their study showed that support from superiors is more important in high power distance countries than in low power distance countries. The greater the power distance in a society, the more people focused on gaining the support of those in authority before taking other action on an innovation. In societies with less power distance, the focus is on building a broad base of support for new ideas among organization members rather than on gaining support from above.

How managers handle day-to-day matters is also influenced by power distance in society. The social psychologist Peter B. Smith has headed several studies that examined managerial styles; those studies show that formal rules **and** procedures set by the top managers are more important in high power distance **cultures**. The studies also indicate that managers in high power distance **cultures** rely less on subordinates **and** their own experience in dealing with everyday events than do managers from low power distance countries. The results suggest that in high power distance countries a more strict hierarchy is found in which employees **and** managers alike are more likely to follow directives, rules, **and** policies set by higher levels.

PARTICIPATIVE LEADERSHIP

Participative **leadership** is typically found in low power distance countries. A 1997 study by Peter Dorfman **and** his colleagues compared leader behavior in the United States, Mexico, Japan, Taiwan, **and** South Korea. They found that leader supportiveness, contingent reward **leadership**, **and** charismatic **leadership** were consistently endorsed in all five **cultures**, whereas participative **leadership**, directive **leadership**, **and** contingent punishment behaviors were culturally contingent, in different ways. Contingent punishment had positive effects in the United States but undesirable effects in the other countries. Directive **leadership** behaviors had positive effects in terms of increased satisfaction **and** commitment in Taiwan **and** Mexico, while participative **leadership** behaviors had similar positive effects in the United States **and** South Korea. The differences they

found reflect relative differences in power distance between these countries, as the countries involved in this study—Mexico **and** Taiwan—are **cultures** relatively high on power distance **and** the United States **and** South Korea are **cultures** relatively low on power distance. In Mexico (high power distance) **and** the United States (high power distance), the researchers were also able to collect job performance data. In the United States, only participative **leadership** (**and** not the other five measured leader behaviors) had a direct **and** positive relationship with performance. In contrast, in Mexico, only directive **and** supportive **leadership** were directly **and** positively related to performance.

PATERNALISTIC LEADERSHIP

In the study by Dorfman **and** colleagues described above, the combination of directive **and** supportive **leadership** was found to be highly effective, especially in many developing nations. **Cultures** of developing countries tend to be somewhat higher on power distance. In many developing countries, an effective **leadership** style is highly status oriented, requires a high level of involvement in subordinates' non-work lives, **and** is highly directive. Such a style is often called paternalistic.

When **leadership** is paternalistic, the superior assumes the role of the benevolent father who provides for subordinates, guides them, **and** protects their interests. In return, they comply with the superior's wishes **and** show high levels of loyalty. The guiding role of the leader can go beyond the work sphere **and** include issues that are not work related; for example, a paternalistic leader typically shows a strong concern for the well-being not only of the subordinate but also of the subordinate's family. Paternalistic behaviors may include attending the weddings or funerals of subordinates or their family members, providing financial assistance (donations or loans) to employees for expenses such as housing, health care, **and** children's education, **and** acting as mediator in interpersonal conflicts among employees. In return, employees display high levels of loyalty **and** deference **and** a willingness to perform personal favors for superiors. If a paternalistic leader is perceived to treat some workers better than others, rivalry **and** jealousy may develop among subordinates.

EGALITARIANISM AND TRANSFORMATIONAL LEADERSHIP

Transformational **leadership** has received increased attention in the last decades of the twentieth century **and** into the twenty-first. Transformational **leadership** entails inspiring others to transcend their own self-interest for the sake of the collective. This is done through articulating an attractive, exciting, **and** shared vision **and** inspiring trust **and** faith that the vision can be reached through collective effort. Followers become highly committed to the goal **and** perform beyond expectations. Transformational **leadership** also entails developing followers to their full potential **and** challenging them to take risks **and** view problems in new ways.

A preference for transformational **leadership** is found in many different **cultures and** has positive effects in most **cultures**. However, transformational **leadership** is enacted in different ways. For example, the psychologist Bernard Bass states that "Indonesian inspirational leaders need to persuade their followers about the leaders' own competence, a behavior that would appear unseemly in Japan" (Bass 1997, 132).

Power distance is one factor that determines culturally appropriate enactment of transformational **leadership**. In the Netherlands (a low power distance **culture**), for instance, transformational leaders tend to encourage participation in decision making. The same has also been found in Australia, another egalitarian country. Thus, in highly egalitarian societies transformational leaders may need to be more participative to be effective. In contrast, in high power distance societies, transformational **leadership** is likely to take a more directive form.

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