How Different Cultures Perceive Effective Leadership

Cultural differences matter in leadership and the most effective leaders embrace them.

In a globalised work environment, having a multinational team is becoming the norm. Whether a leader is “Eastern” or “Western” will influence how they interact with their employees. These differences can be stark and sometimes frustrating. Shyness might be considered rude in some cultures. Aggression might seem overwhelming to others even though it’s par for the course where they come from.

Leading a global team, however, is about embracing differences and pulling the right levers at the right times to get the best out of a team. These differences can be put down to cultural origins, according to Caroline Rook, former INSEAD Dutch Alumni Fellow.

She says that there are some notable and consistent differences in how high-performing Eastern and Western Managers behave professionally that have implications for leadership effectiveness.

In her working paper, “Global Leaders East and West – Do All Global Leaders Lead in the Same Way?” (co-authored with Anupam Agrawal of the University of Illinois at Urbana-Champaign, an INSEAD PhD holder) Rook suggests that Eastern and Western management styles could be likened to pieces of music that use basically the same notes, but sometimes in different patterns and to varying effects.

Cross-Cultural Nuances

In an interview with INSEAD Knowledge, Rook said she didn’t expect to find such clear-cut differences between East and West, considering her data came from the Global Executive Leadership Inventory (GELI). Developed by INSEAD Distinguished Professor of Leadership Development Manfred Kets de Vries in 2005, the GELI uses 360-degree feedback to help executives evaluate their performance based on 12 “dimensions of leadership”, which range in focus from purely professional functions to work/life balancing.

Rook’s study analyzed GELI data for 1,748 middle and top-level executives representing 128 nationalities, including input from more than 13,000 “observers” of the executives.

“Because [the GELI measures] global leadership behaviours, at first we were quite surprised that we did find differences,” Rook said. “If you have to act in a global environment and want to be successful, you would have to show all of these behaviours… Even with all the nuances between different cultures, we would have thought any leader could adapt themselves to this global environment.”

But after controlling for other potentially influential factors (among them age, industry, and gender), Rook found that Eastern and Western managers...
diverged significantly in four of the 12 dimensions: Designing & Aligning, Outside Orientation, Emotional Intelligence, and Resilience to Stress.

Respectively, these dimensions are designed to measure how well managers implement company strategy; promote responsiveness to customers, stakeholders, and vendors; foster respect and understanding in the workforce; and handle the pressures of the managerial lifestyle.

In all four dimensions, Eastern managers were perceived to have taken more of the actions that the GELI associates with successful leadership than their Western counterparts.

Nothing More Than Feelings

But Rook stressed that the situation is too complicated to support an East-is-best thesis: “The inventory measures to what extent those behaviours are shown by the leader. It doesn’t necessarily mean that the leader cannot be better at those things.”

For example, the Eastern contingent’s higher Emotional Intelligence rating doesn’t necessarily mean Westerners are less sensitive, according to Rook. “It’s not just about to what extent you show emotions, it’s also about to what extent you are aware of your own emotions, and how you regulate and manage them… Different cultures have different expectations of what is appropriate. You could have a high emotional intelligence because you recognise that in a business setting, even though you may feel very frustrated or angry, it’s actually not appropriate to show those kinds of emotions. You’re aware that you’re feeling those emotions, and you can regulate the display,” Rook said.

More context-conscious cultures with highly specific do’s and don’ts, such as some East Asian cultures, may be more conducive to unambiguous demonstrations of leadership. “Those are the expectations that are quite prevalent in the East, and that’s why leaders from the East display those behaviours more,” Rook explained.

Leadership Around the World

In addition, Rook said that when her study drilled down to the regional level, “you had some aspects where Western leaders might do better.” For example, Nordic Europeans ranked particularly high in the “Global Mindset” dimension of the GELI, which measures how well leaders promote togetherness among a culturally diverse workforce. Eastern Europeans netted higher-than-average scores for GELI dimensions related to encouraging employee empowerment and tenacity.

Among Eastern regions, Southeast Asia scored better than average for “visioning”, i.e. efforts towards articulating a “compelling global strategy” that unites all company stakeholders.

Taken as a whole, these rankings may provide a rough sketch of the leadership values that each culture considers most important, according to Rook. Middle Eastern managers, for example, ranked lower than average for work/life balance but higher for resilience to stress.

Advice for Globetrotting Leaders

Since expectations of leaders change from country to country, how should expat managers adjust? Rook advocates a holistic approach: “Culture is just one aspect. Take different individuals into account. Where do they come from as an individual? What are their experiences in the workplace? How could that influence their expectations of you as a leader?”

In any case, the realities of a globalised workplace mean it’s unwise for leaders to get too settled in their cultural comfort zone. “What do you do if you have a multicultural team? In many organisations, that is the reality,” Rook said. “You have people from all across the world in your team and again they have their cultural expectations of leadership.”

“Even though the behaviours are global, as a leader you should approach the individuals that you’re dealing with in an individual manner and pay some attention to their cultures. Deal with your expectations of yourself, but also what their expectations are of you.”

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