Leadership in Different Cultures
Contrastive study
Marek Pučálka

Plzeň 2012
Leadership in Different Cultures
Contrastive study
Marek Pučálka

Vedoucí práce:
Bc. Skyland Kobylak
Katedra anglického jazyka a literatury
Fakulta filozofická Západočeské univerzity v Plzni

Plzeň 2012
Prohlašuji, že jsem práci zpracoval samostatně a použil jen uvedených pramenů a literatury.

Plzeň, duben 2012

..........................
TABLE OF CONTENTS

1 INTRODUCTION .................................................................................. 1

2 LEADERSHIP ......................................................................................... 2
  2.1 What is leadership, Leadership perception ................................. 4
  2.2 Researching leadership 4 major approaches (Yukl, 1989) ...... 5
  2.3 Leadership theories ....................................................................... 7
    2.3.1 Trait Theories ........................................................................ 7
    2.3.2 Behavioral Theories ........................................................... 9
    2.3.3 Situational Leadership Theories .......................................... 9

3 CULTURE .................................................................................................. 12
  3.1 Hofstede’s cultural dimensions .................................................. 14
    3.1.1 Power Distance Index (PDI) ............................................. 14
    3.1.2 Uncertainty Avoidance Index (UAI) ............................. 15
    3.1.3 Individualism-Collectivism (IDV) .................................... 16
    3.1.4 Masculinity (MAS) .......................................................... 17
    3.1.5 Long-Term Orientation (LTO) .......................................... 17
  3.2 Kluckhohn and Strodtbeck’s value orientations ...................... 19
  3.3 Trompenaars ................................................................................ 21
  3.4 Comparison of Czech culture and US culture ......................... 23
    3.4.1 Typical feature of Czech Business culture ....................... 24
    3.4.2 The Czech culture in Hofstedes’s dimensions ................. 25
    3.4.3 Typical feature of US Business culture ............................ 28

4 PRACTICAL PART ............................................................................... 30

5 CONCLUSION ......................................................................................... 34
1 INTRODUCTION

Nowadays, the topic of leadership and cross-cultural research is basically popular. But it is also relatively new; it is developed in the second half of the twentieth century.

The bachelor thesis is divided into the theoretical part and the practical part. Its aim is to outline what leadership and culture are. In chapter of leadership it is described 4 major approaches. Then chapter with culture follows. There is explained the origin. It passes to cultural differences and their research. One of the most important is Geert Hofstede with his five cultural dimensions which are deeply explained. Then other theories of Kluckhohn with Strodtbeck and Trompenaars are shown. In the following subchapters Czech culture and American culture are shortly characterized. In the practical part an interview with Frank Zauflik, a coach of leadership.

In the case of the Czech environment we need to keep in mind a relatively short period of the free development of business and the introduction of modern business strategies, including certainly leadership. Forty years of socialist ideological "ascendancy" left its negative marks on the economy and modernization which started earlier and in the words of the former regime "capitalist" processes have been inhibited. Although in the last twenty years, they are carrying into effect again but it's not possible by jump shifts.

Based on these words, we can assume that companies in the U.S. can be a further on particularly in the field of the leadership. But it is true? And if so, it is possible to determine the level of these differences? Is the Czech Republic taking certain remedial actions of business conditions or is stagnating?
2 LEADERSHIP

There are most often means of regarding these problems and it is a point of view by leader's personality. In our case, moreover, we are going to look through this view by a magnifying glass of differences in Czech and American society. This topic is interesting for social science as it is; however, in modern society environment can get new meanings. A fact contributing to this, is the ever growing multicultural binding, and arrival of foreign companies to the Czech job market. Anyway, they arrive with their own work theories, among which the leadership is one that Czech economy culture incorporated quickly in its the most used words and processes in the first place. Problem of culture differences and its influence on management is excellently described in work of M. Kaprálová, where she points to possibility of universal, worldwide-known management aspects that can have a different meaning in different cultures.1

As said earlier, there are many points of view and possibilities of explaining the leadership. As for me, I incline to this one which in my opinion puts it well and precisely: “Although the concept of leadership is not defined totally uniformly, it is common for all definitions that leadership is taken as a mean of influencing people. Leadership represents a process that is necessary for organizations to get their goals. Success of the process relates to skill of the leading manager to influence their co-workers, and to motivate them to getting the goals.”2

It is actually one of the roles of management. We may think that in every individual there are some leadership conditions to find. In every man there is a certain desire to lead and, what is more, to control others; if they can motivate them to work, that is another question to ask. For this reason it is required for

1 Kaprálová, Michaela: Interkulturní odlišnosti a jejich vliv na vedení pracovníků v mezinárodní firmě. Brno 2011, s. 33.
2 Ibid., s. 21-22.
these positions to choose individuals that are morally mature. As Veronika Cabejšková says in her work: “A good leader is characterized by charisma and personality strength, which can help him or her to gain people and sweep them to fulfill goals of an organization. Nevertheless, I think that a good and skillful leader should display empathy as well, and a certain ability to listen others if he or she is to lead their team successfully and efficiently – and as a human being too. In spite of the remark above that every one is more or less capable of leadership, it is necessary to say that a true leader with leadership qualities is, in essence, born.”³

Anyway, leadership has a meaning mainly for society where it is applied. It is the leadership or leading that plays “the decisive role in searching or making new opportunities, finding more next possibilities to set the direction of future organization development, and fulfilling a mission of its existence mostly by securing, distributing, using and controlling resources, including, of course, human ones.”⁴

Next motivational element that a leader can ensure for the team, is nice working environment. Many psychological and even social studies have proved influence of environment on an individual. If a leader manages to create stimulating, supportive environment, he or she can make team members work more powerfully. After all it relates to self-realization which is one of basic needs of every man. So, if a leader creates appropriate liberal environment that makes it possible for every team member and the leader too, to realize themselves, they will feel job satisfaction, and overall productivity of the team will increase and will prevent from burnout syndrome which is more and more often to see today.

³ Bělohlávek, 2003, s. 13.
“Leadership is an important aspect in ones life. From the day on one is born other people determine what she is expected to do and what she is supposed not to do. Throughout life people get to deal with different leaders telling them what to do, including parents, teachers and managers. One can ask if a leader in one situation is also a leader in another situation. Since every person is unique, different leaders are likely to lead people in different ways. When talking about leadership most research focuses on the relation between a leader and his follower. This chapter will answer the question how people perceive leadership, it will focus on the leader-follower relation and on different leadership styles. The first part of this chapter focuses on definitions and the perception of leadership. The second part focuses on describing four approaches to analyze leadership. The third part will focus on different leadership styles and explain the differences.

2.1 What is leadership, Leadership perception

Leadership has many forms and can be perceived in different ways, Hogan, Curphy, and Hogan for instance, perceive leadership as when a person leads others, but state that it is important that one does not dominate but persuade (1994). According to Gerstner and Day, it is important that the followers perceive a leader as a role model for the group (1994). This means that the leader should not only have the capabilities to lead the group, but should also be an example of the how the group should behave. Furthermore Gerstner and Day state that followers try to match the leader to a prototype in their memory (1994). The followers do already have an idea of how the leader of the group should be like and they try to match the target to that idea. Hogan et al. discuss that the tasks of a leader differ in terms of specificity. According to them the broadest list contains 14 categories of leader behavior which are; networking, planning and organizing, recognizing, problem solving, managing conflicts, clarifying, informing, motivating, consulting, supporting, team building, monitoring, developing and mentoring, delegating, and last rewarding (1994). This means that a leader has a very wide variety of tasks and therefore
the leader should have a lot of traits. Leadership is as the name states, about leading other persons who are often called followers. A leader should be a role model for the group he leads, this is important since followers match the leader to a target person in their memory. As the leader is a role model for the group he should have the aspects of a representative person of the whole group.

2.2 Researching leadership 4 major approaches (Yukl, 1989)

Much research has been conducted on leadership; however there is so much information available about leadership and a lot of research was conducted in different ways and with different intentions that there are a lot of different results. Research showed that there are four approaches to analyze leadership (Yukl, 1989). These approaches are provided below.

Power-influence approach: Research conducted according to the power-influence method is focusing on the power a leader has, and how he exercises his power. Power is sometimes seen as an influence. This can be influence over the behavior and attitudes of subordinates. Power is gained and lost by leaders in different ways. A person can for example gather power when he shows his ability to solve problems for the organization. According to Yukl one of the main questions is how a leader exercises his power. The way power is exercised often explains how subordinates react to the power (Yukl, 1989). The quantity of power a leader should have in order to be effective depends heavily on the organization. If a leader does not have enough power he or she will not be able to make the necessary changes, if on the other hand he has too much power he will not try other ways of influencing such as participation and persuasion (Yukl, 1989).

Behavior approach: The behavior approach focuses more on what people perceive as ‘what leaders really do on the job’ (Yukl, 1989). This approach therefore is closely linked to the question what managerial work is about. Besides looking at the work a leader is performing it can also look at the classification of the job. One can have a look at how leaders spend their time,
but also at functions, practices etc. key question when looking at the behavior of leaders is which behavior leads to effective leadership. Yukl uses two different sorts of behavior which can lead to effective leadership being, task-oriented behavior & relationship-oriented behavior (Yukl, 1989).

Trait approach: In contrast to the other two already mentioned approaches this one does not focus on influence or behavior towards others, but on the personal skills and attributes of the leader. First one needs to have a clear overview of the traits that are important for leaders. Traits such as self-confidence, energy, and initiative are important to have in order to give effective leadership (Yukl, 1989). Second it needs to be clear what skills are related to leader effectiveness. Yukl talks about three different types of skills, which are necessary for effective leadership being; technical skills, conceptual skills, and interpersonal skills. The relative importance of the skills varies. The final aspect of the traits approach is to have a look at the way the traits interact in influencing leadership.

Yukl states that balance between the different traits is the most important aspect to come to effective leadership. For example the leader must find a balance between his needs and the organizations needs and the desire to change must be in balance with the desire for continuity (Yukl, 1989).

Situational approach: The last approach is the situational approach. The situational approach stresses on the importance of contextual factors such as, authority of the leader and the nature of the work. The first question that needs to be answered when researching in accordance with the situational approach is, what factors of the situation influence the leader’s behavior. After this, one needs to have a look at the discretion a leader has, and in what way it is related to effectiveness. Managers will have to overcome role conflicts. Besides this it is important to see what the situational moderators are. Some aspects of the situation can change the relationship between a leader behavior and the outcome (Yukl, 1989).
To conclude, there are four main approaches to analyze leadership in research. As can be seen in table 2 the different approaches focus on different aspects of leadership and therefore could give different outcomes. The focus can be put on either, influence-, behavior-, skills of the leader, or situational factors and balance. For a researcher it is important to be aware of the different aspects of leadership as described. It is also because of the different approaches that there are many thoughts and different opinions about leadership styles, this can partially be explained by different focuses.⁶

2.3 Leadership theories

“For many years, research has been done on the subject of leadership. Many scientists, sociologists, psychologists, etc., have shed their light on this phenomenon. This paragraph will discuss the important theories and findings concerning leadership.

Leadership theories have become of particular interest in the recent years, as researchers wanted to be able to identify why certain people have been successful leaders in the history of mankind. The first question that comes to mind is: „What makes a person a leader?” In other words, is a person born to be a leader or is it possible that the required skills to be successful in leadership are achieved during someone’s life by studying the subject of leadership. This brings us to the first distinction in leadership theories: Trait theories and Behavioral theories.

2.3.1 Trait Theories

The main idea of the trait theory of leadership is that leaders have certain traits (people’s general characteristics) that make them leaders. The

⁵ Groenendijk, 2010, p. 13-15
fundament for trait theories on leadership can be traced back as far as the ancient Greeks, Plato to be exact. In his early works, Plato firmly believed that the wisest and most virtuous men would make the best leaders (Ciulla, 2002).

In 1902, Thomas Carlyle introduced the Great Man Theory, which was based on this same idea: leaders are born and not made. Carlyle said that we had to look for the „ablest“ man to be our leader and then submit to him for our own good. He further argued that „the history of the world is but the biography of great men“ (Ciulla, 2002). This “Great Man Theory” has evolved during the 20th century into trait theories. The focus on „leaders are born and not made“ made place for a theory in which it was assumed that leaders’ characteristics are different from non-leaders. In a more recent research on this theory, Kirkpatrick and Locke (1991) stated this as follows: “It would be a profound disservice to leaders to suggest that they are ordinary people who happened to be in the right place at the right time. Maybe the place matters, but it takes a special kind of person to master the challenges of opportunity.”

In other words, they suggest that leaders are recognized on the grounds of certain character traits. When a leader is recognized on the grounds of certain character traits which person possesses, use is made of trait theory.

Critics of the trait theory raised the question whether the leadership traits can be learned to someone, and whether universal leadership traits exist (Northouse, 2004). Another criticism is that „while personality may reveal whether an individual is perceived as leader-like, personality is less than successful in identifying whether those leaders are successful in an objective sense“ (Judge, Piccolo & Kosalka, 2009). Furthermore, there is much doubt about whether the correlation between certain character traits and leadership performance is a valid one (Judge, Piccolo & Kosalka, 2009).
2.3.2 Behavioral Theories

After the criticism on the trait theory stated above, behavioral theories became more popular in leadership research. While trait theory focuses on the right person to be a leader, behavioral theory approaches leadership by looking at the desired behavior for a leader. Kahn and Katz (1960) distinguished two types of leadership behavior, employee-oriented and production-oriented. An employee oriented leader focuses himself on the people he is leading and the interpersonal relations. A production oriented leaders’ main concern is production and accomplishment of tasks. Kahn and Katz (1960) concluded that employee-oriented leaders have better results on both production and job satisfaction.

An important implication of the behavioral theory is that, because of its’ focus on behavior rather than character, leadership is assumed to be teachable. Hence, studying successful leaders’ behavior would be the key to successful teams and organizations. However, the question arose which behavior was needed in which situation.

2.3.3 Situational Leadership Theories

Although behavioral theory gives certain insights into leadership behavior, the situational component has still not been given attention to. Hence situational theories, also called contingency theories, were developed to indicate that the style to be used is dependent on factors like the situation, the organization, the task, the people, and other environmental variables (Vroom & Jago, 2007).

Situational leadership theory assumes that different leadership styles have to be used in different situations. Vroom and Jago (2007) argue that while a leader might be successful in one situation, he might be unsuccessful in another. In other words, there is no perfect, universal leadership style or type of leader. In their study: The Role of the Situation, Vroom and Jago
(2007) identified three roles in which the situation affects leadership. The first role is that situations occurring outside of the leader's control might affect the effectiveness of the overall organization. The second role is that situations shape leaders' behavior. According to Vroom and Jago (2007), "situation accounts for about three times as much variance as do individual differences". In other words, situations determine for a large part the way a leader behaves, even more than individual differences between leaders. The third role is that situations influence the consequence of the behavior of a leader. They state that "a leadership style that is effective in one situation may prove completely ineffective in a different situation" (Vroom & Jago, 2007).

Fiedler (1967) was the first to conduct research that included both situational variables and character traits. In his contingency model, he made a distinction between two types of leaders: relationship-oriented and task-oriented. Relationship oriented leaders tend to accomplish the task by developing good relations with the group; while task oriented leaders' prime concern is carrying out the task itself (Fiedler, 1967). Both of them can be equally effective, depending on the situation. This dependence on the situation implies that Fiedler's theory also belongs to situational leadership theories. When there is a good leader-member relation, a high leader position power (strong hierarchy) and a highly structured task, a situation is considered to be "favorable". When the opposite is true, it is considered an "unfavorable situation". Fiedler found that task oriented leaders are more effective in extremely favorable or unfavorable situations, while relationship-oriented leaders do a better job in moderately favorable situations.

Another research on situational leadership is done by Hersey and Blanchard (1974). They included the situational component in their research by arguing that different situations within an organization exist, all depending on the levels of ability and willingness of followers to act as the leader tell them to. Hersey and Blanchard called this the Situational Leadership Theory.
Another theory within the field of situational leadership theories is the Path-Goal Theory. The path-goal theory of leadership by Robert House (1971) states that “leaders, to be effective, engage in behaviors that complement subordinates’ environments and abilities in a manner that compensates for deficiencies and is instrumental to subordinate satisfaction and individual and work unit performance.” Thus, an effective leader provides comforting paths for subordinates, which will eventually lead to satisfaction of organizations’ objectives. The theory was worked out in more detail by House and Mitchell (1974), as they added a situational component to the theory. They made a distinction between four different kinds of leader behavior, as the satisfaction of subordinated will differ from case to case. These four kinds of behavior are directive, supportive, participative, and achievement oriented behavior.\textsuperscript{6}

\textsuperscript{6} Martens, J., 2010, p. 8-11
3 CULTURE

“The term culture originated from the Latin word ‘cultura’ that stems from the verb ‘colere’ meaning to cultivate. In the eighteen century the meaning of culture was linked to agriculture. In the nineteenth century the term became used in association with an individual and his or her education and in twentieth century it became a center of the concept of anthropology. Culture is an abstract term of broad meaning and is open to various interpretations from the association starting from the arts to the study of the way of life of a society. In this work the term will be discussed from the perspective of several anthropologists in the context of international interaction.”

“Culture is to a human collectivity what personality is to an individual. Culture is a community’s values in forms of symbols, rituals and heroes and an individual’s experiences, customs and habits. This is what affects us to react and act in a certain way.

The term culture includes different meanings. You can separate it into culture and national culture. Organizational culture is also a kind of culture but focuses more on the specific culture in a company on the micro level. We will concentrate on the national culture since we are more interested in the macro level of cultural differences.

During a person’s lifetime his way of thinking, emotions and pattern of behavior is constantly changing and developing. The childhood is embossed by curiosity and it is also easier to learn during this time. A person’s character is highly colored by this period in life and it can be difficult to change it later on. Geert Hofstede is calling this a person’s mental program and says that an individual is partly acting in a certain way because of her mental program, but is also able to abandon it. The mental programming starts within the family and continues throughout a person’s lifetime.

____________________

7 Črhanová, 2011, p. 7
The culture is in this sense not inherited, but learned. It derives from the social environment, not from the genes. That is why culture should be separated from the human nature and from an individual's personality. The human nature is what all humans have in common, what we inherited from our genes. It's the universal ability to feel anger, fear, grief etc. Values on the other hand is what Hofstede claims to be the heart of culture and is characterized by an individual's preference of one condition in front of another. The values are invisible to others and can only be understood by the way the person is acting. It could be said that values are the norm for which behaviors a culture prefers and disapprove with.

One example could be how patients sitting in a waiting room to see the doctor are treating new incoming patients. In Germany they are all greeting the new person with a “good morning”, while they in Sweden ignore the person. The culture creates an expectation in form of a greeting.

Cultural differences can show in many ways. The most common ones are symbols, rituals and heroes. Symbols are words, gestures, pictures and objects which are specific for the culture and can only be recognized by its members. New symbols are continuously developed and replacing the old ones. Heroes are persons, living or dead, real or imaginary, which have a significant influence on the culture members. They are acting as role models. Rituals are collectively activities that are socially necessaries because they convey what people are thinking and put value in. It has a direct impact on how people are greeting and respecting each other.

National culture is the dominant culture in a country. It includes stereotypes, a painted picture of how we perceive other people. The dominant culture represents the majority of the people in that country and is determining the way people are making business. It also affects how managers are expected to treat their coworkers.
For example, the founder of an organization brings his national culture to his company and will therefore lay the ground for, and affect, the organizational culture. In the situation with many transnational corporations the manager and the employees are not from the same culture and the manager needs to adopt a situational leadership style.\(^8\)

### 3.1 Hofstede’s cultural dimensions

One of the most known cultural dimensions are certainly Hofstede’s five cultural dimensions – Power distance index (PDI), Uncertainty avoidance index (UAI), Individualism-collectivism (IDV), Masculinity (MAS), and Long-Term orientation (LTO). In this paragraph these dimensions of culture will be discussed.

“Hofstede conducted a study at IBM in 1968 (and a second one in 1972) among 50 different countries to see what national cultural differences might occur. In every country these dimensions look different and that is reflected in the individual person’s behavior at the office.

Even though some people accuse Hofstede’s research to be old and obsolete it is still the foundation to many other surveys that’s been made much later on. This is why we chose to base our theory on his work.

#### 3.1.1 Power Distance Index (PDI)

In his survey among the staff at IBM Hofstede wanted to examine if there were any cultural differences between a country’s relationship and distance between manager and employee. The study suggests that the boss-subordinate power distance is considerably determined by social aspects.

---

\(^8\) Jensen, C., Saadat Beheshti, C. 2011, p.23-25
In countries with low power distance index the manager and the employee perceive themselves as equal. The hierarchical systems are only for convenience and the roles in the system could easily change. A company like that is often rather decentralized and flat. In countries which are characterized by low power distance the employees are less dependent on their managers and normally prefer a consulting leadership style. Subordinates expect to be consulted before a decision is made that affects their work, but they accept that the boss is the one who finally decides. The emotional distance is relatively small and a subordinate can openly disagree with his manager.

In countries with a high power distance the manager and the employee perceive themselves as unequal and the hierarchical system is based in this believe. Companies and organizations are formed as pyramids and centralize the power in to a few hands. The employees prefer a more autocratic leadership, they are more dependent on their managers and they are unlikely to disagree with them.

3.1.2 Uncertainty Avoidance Index (UAI)

This dimension is dealing with a society’s tolerance for uncertainty and ambiguity. It indicates to what extent a culture programs its members to feel either uncomfortable or comfortable in unstructured situations. Uncertainty avoiding cultures try to minimize the possibility of such situations by strict laws and rules, safety and security measures. If they end up in a situation with uncertainty they tend to feel nervous and stressed and they prefer predictability and written- / unwritten rules. In societies with a strong uncertainty avoidance index you can find a lot of formal and informal rules. The wish for rules is based on feelings and emotions. It is therefore based on psychology rather than logic. The opposite type, uncertainty accepting
cultures, is more tolerant of opinions different from what they are used to; they try to have as few rules as possible.”

3.1.3 Individualism-Collectivism (IDV)

“These dimensions characterize the relationship between individual and other people in society. In individualistic cultures everybody is expected to look after themselves and close family. Collectivism is the opposite – there is strong sense of integrity and loyalty with a group. Generally small power distance cultures are more individualist and large power distance cultures more collectivist. In collectivist societies big family gathering and recognition of “we” and “they” is natural. There is a tendency to maintain harmony and avoid conflicts. Collectivist cultures are shame cultures - “losing face” for breaking rules is very seriously judged. On the contrary individualist cultures are more competitive, individuals can express their opinions freely and confrontations are welcome. They decide only for themselves and they are responsible for consequences of their behavior. In collectivist culture there is a strong distinction between the in-group and out-groups. “To treat one’s friend better than others is natural and ethical (particularism).” In individualist groups everybody should be treated alike (universalism). Individualist cultures treat business as a contract and also relationships at workplace are often formal and indifferent. In collectivist countries family tights are obvious even in business where members of family are employed together, they cooperate with companies owned by other family members and work relationships resemble more family relationship. Typical individualist countries are USA, Great Britain, Germany; typical collectivist countries are East Asian countries, Arab countries. It can be seen that wealthy, urbanized, and industrialized societies are individualist.”

---

9 Jensen, C., Saadat Beheshti, C. 2011, p.25-26, 29
10 Ficová, 2011, p. 12
3.1.4 Masculinity (MAS)

“By measuring masculinity vs. femininity in a culture Hofstede meant to examine the characteristic feature for a society. The assertive pole has been called “masculine” and the modest, caring pole “feminine”.

The women in feminine countries have the same modest, caring values as the men; in the masculine countries they are somewhat assertive and competitive, but not as much as the men, these countries show a gap between men’s values and women’s values.

In masculine societies the managers are supposed to be aggressive, assertive and decisive. Companies that are active in a society like this is stressing the importance of results and the employees are rewarded fairly by that measure. In feminine societies the manager is expected to be more intuitive, less visible and seek coherence. A company in this environment is rewarding its employees after equal rights and by everyone’s personal need.”¹¹

3.1.5 Long-Term Orientation (LTO)

“Short-term orientation (e.g. Spain, Canada) reflects effort bringing outcomes quickly, respect to traditions, tendency to save face, spending money, giving presents to demonstrate love, and strong polarity between good and bad, and true and false. People are taught to be tolerant and respect others; are talented for theoretical and abstract science and have analytic thinking.

Long term orientation (e.g. China, Japan) cultures prefer perseverance and effort to gain outcomes later, working hard, never give up, achievement is worth losing one’s face and past and future generations are important. The purpose of giving a present is to develop and learn. People are talented for

¹¹ Jensen, C., Saadat Beheshti, C. 2011, p. 28, 30
specific sciences and do not distinguish strong polarity between good and bad, true and false.”\textsuperscript{12}

“This fifth dimension was added later in 1985 and the research was carried out among students from only 23 countries. The original structure of this research was based on Confucianism but the findings can be applied to any society. The major differences were discovered among Asian and Western countries. This index is closely connected with the economic growth – the first five countries with the highest figures were China, Hong Kong, Taiwan, Japan and South Korea. These countries are known as an “Asian tigers” because of their highly developed economies.

The main characteristics of the long term orientated nations are thrift and perseverance. People do not expect immediate results or gratification of their desires and companies tend to built up a strong position in the market. On the contrary people from the short orientated societies usually respect the traditions, fulfill social obligations and protect one’s good reputation. They expect to be acknowledged for their merits instantly. The major concern of the companies is the bottom line of the past period. Family and business sphere is always separated. (Hofstede 2001, 351-370)

The last dimension was added subsequently and figures for the Czech Republic are not available. Thus the comparison of the United States and the Czech Republic is not possible. According to the research the USA have very low LTO index (29), i.e. the characteristics typical for these countries show considerably. It implies managers from US companies expect immediate results and concentrate on the current situation rather than plans for the future.”\textsuperscript{13}

\textsuperscript{12} Crhanová, 2011, p. 17-18
\textsuperscript{13} Bělašková, 2011, p. 36
"The illustrated features within each domain reflect possible characteristics of each country on the polar scale. When two cultures of diverse polarity within a specific domain encounter, unpleasant situations, misunderstandings or even culture shock might appear as a result of differences. It can be generalized that cultures with high uncertainty avoidance and those with collectivistic tendencies incline to most difficult encounters between diverse cultures and tend to experience more powerful culture shock than others. (Hofstede 2007: 243) It is due to the facts that collectivists tend to share their identities within their in-groups and isolate themselves from other groups, high uncertainty avoidance cultures incline to conservatism and higher need of principles and order. Both of them then prefer implicit rules, traditions and high contextual communication. (Hofstede 2006: 148-150)

Even though Hofstede’s dimensional approach has been introduced in almost every publication dealing with intercultural communication, his work faces criticism. For example Mc Sweeney criticizes the fact that nations are not suitable units for cultural studies, that the research was fulfilled within one company (IBM) thus the narrow sample can not be representative and so on. (McSweeney, 2002, quoted in Liu et al. 2011: 101). Thus another Kluckhohn&Strodtbeck’s insight in value orientation will follow. Nevertheless, some of the dimensions of both researches overlap, such as Hofstede’s individualism-collectivism with Kluckhohn&Strodtbeck’s social relations or time orientation.

3.2 Kluckhohn and Strodtbeck’s value orientations

Kluckhohn and Strodtbeck claim that all cultures encounter universal problems resulting from nature, activities, time and relationships with other people. To solve these universal problems cultures uses value orientation. The theory of value orientation introduces five value dimensions within which a culture finds a unique position.
The dimension Man-nature orientation reflects relationship of people with nature on the scale 'people are subordinate to - in harmony with – dominant over nature'. Human's worldview represents his or her perception of universe, the nature of humankind, relationship between the universe and humanity and philosophical approaches to human's role in the cosmos. For example, United States are dominant (e.g. changing a flow of river to fit a city plan) while Arab or Japanese live in harmony with nature (Japanese gardens).

The dimension Activity orientation distinguishes a scale 'state of being – inner development – industriousness'. The state of being refers to self-expression and play; the inner development to self-improvement and development; and industriousness to work. For example, in Britain work is seen as a duty that benefits a human being as well as the whole society. In America people believe that work and play should be divided. On the contrary, in some religious cultures work is less important than praying.

The dimension Time orientation reflects diverse approaches to time. In Western cultures a linear approach that distinguishes past, present and future is common. Time is perceived as a commodity that can be saved, wasted, spent and so on. On the other hand, in Thai culture there are three approaches to time: time as continuity of life, environment and traditions from ancestors to future generations; a modern one oriented towards future; and animistic concept that occurs within cultures that believe in stronger power/gods that govern their lives. Another approach of time represents polychronic versus monochronic. Polychronic cultures such as Arabs perceive time as cyclical and are multitask oriented while monochronic cultures tend to linear approach and do one thing at a time.

The fourth dimension describes Human nature on a scale 'people are good – mixed – evil'. For example, Puritans in the United States believe in Christian view that human beings are born evil but they may change their
characters due to self-control and self-discipline. On the contrary, in Buddhism people believe in spirituality and goodness of human being.

The last dimension Relational orientation deals with social relationships on the scale 'individualistic – collective – hierarchical'. Relational orientation reflects one's perception of himself or herself and how the society is structured. In individualistic cultures people tend to accept their responsibility as independent individuals. In collectivistic cultures such as India people are subordinate to their in-groups, especially family, organization, class or neighborhood. (Kluckhohn and Strodtbeck, 1961, quoted in Liu et al. 2011: 107-112)

Even though values are the unaware base of each culture, it influence thinking, feeling and acting of each individual. The variety of core values within cultures then results in differences, misunderstandings and culture shocks among strangers. The two value orientations demonstrate the diversity among cultures. In spite of the criticism of Hofstede's dimensional division, his approach is applied in this work especially due to the fact that it is one of the most complex research done in the intercultural interaction and provides with concrete data division of more then seventy countries on the polar scales of the domains.14

3.3 Trompenaars

“Two decades after Hofstede’s research Trompenaars came with his approach to cultural dimensions. He also made a research in 50 countries, respondents were in majority managers and a quarter was administrative staff (Mead & Andrews, p.52). Trompenaars claimed that main differences in

14 Čranová, 2011, p. 18-20
cultures lie in three areas - relations with people, attitude to time and attitude to environment.

Attitude to time reflects dealing with time plans, schedules and orientation toward past or future. Different cultures perceive time passing differently - as a linear line or in a circle. These cultures that treat time as a sequence of events are called sequential. In synchronic cultures events are juggled at the same time and also people are able to do more things at a time.

Attitude to nature or environment is connected to belief in destiny. Some cultures believe that they should control the environment and that they can fight against the nature (inner-directed). Outer directed cultures let things to their natural flow and they are prepared to go with the laws of nature. (Mead & Andrews, 2009, p.53)

Relations with people differ in five areas for which Trompenaars created following parameters (Bočánková, 2010, p. 19 – 21):

**Universalism vs. particularism** – Universalism believes in rules that can be applied without modification and no exceptions are allowed. On the contrary particularism allows application of rules according to circumstances (exceptions for friends). Doing business in particularist cultures means developing relationship, whereas universalist cultures prefer more professional attitude oriented toward goal.

**Individualism vs. communitarianism** – The concept is quite similar to that of Hofstede’s individualism and collectivism. Communitarianism refers to group decision-making, doing business in negotiations groups, whereas in individualistic culture the decision is made by individuals who are also responsible for it.

**Neutral vs. emotional / affective** – In neutral cultures emotions are controlled and kept under control. This is more typical for North America and north-west Europe. In southern countries it is conversely. People in affective
counties show their emotions in order to express their interest; they talk loudly and smile a lot.

**Specific vs. diffuse** – Members of specific culture distinguish between public and private space / zone. Their public zone is quite large and more people are allowed to enter, but their private zone is small and reserved to their friends. In diffuse culture both zones are similar and they are similarly guarded. Misunderstanding occurs when a person from specific culture allow a member of diffuse culture to enter his / her public zone and diffusive culture misinterprets it as an invitation to private zone. Other way round when specific culture deals with diffusive one they have to respect people’s title, age and background connections. In diffusive culture relationships should be established before negotiation starts as life and work life are closely linked.

**Achievement vs. ascription** – In an achievement culture the status is based on people’s knowledge, skills and performance. On the contrary in ascription cultures the status is based on age, gender, origin and social connections. Dealing with ascription cultures members of opposite side should be of high status, older and senior managers, whereas in achievement cultures sufficient data and knowledge are essential.”

### 3.4 Comparison of Czech culture and US culture

“In this subchapter I apply all the above mentioned findings to the comparison of Czech culture and the culture of the United States of America. For a practical demonstration I have chosen the USA. I have several reasons for it. The first one is the common usage of the English language. There is no official language set by the law, however, the absolute majority of business matters (and especially international dealings) are held in English. Next, the

---

15 Ficová, 2011, p. 15-16
economy of the United States is the most developed one in the world hence it is inevitably one of the most significant international business partners not only for the Czech Republic, but for almost all other countries.

In first two subchapters the most typical features of both cultures are stated. From the very beginning it is obvious that Czech and US cultures are very distinct from each other and are based on different values. Nevertheless it is only a basis of what every manager should be aware of to bring a negotiation to a successful end.

For a more detailed illustration of the differences between Czech and US cultures I state the typical characteristics specified by the cultural dimensions theories by Geert Hofstede and Fons Trompenaars. These characteristics are compared, the possible problems analyzed and appropriate solutions proposed.

3.4.1 Typical feature of Czech Business culture

Due to the facts that the Czech nation is united by the long history and the area of the state is small (in comparison to the United States), the stated characteristics are generally relevant to the whole area.

In a business area the Czech managers tend to be formal and rather indirect. It follows that also the language used in business matters differ from the common usage. The most characteristic feature of typical Czech company is developed vertical hierarchy and following centralized process of decision making. Thus decisions are reached slowly and the whole negotiation can last longer than expected before the result is reached.

Business and private life are strictly separated and it is not appropriate to inquire about the personal issues. Nevertheless for the better progress of the negotiations it is good to get to know the business partners better in order to develop a trustworthy relationship. During the business dealings the Czech managers are (especially at the beginning) reserved, formal and impersonal.
As opposed to the informality typical for US managers, it is necessary to address the Czech business partners as Mr. or Mrs. followed by surname, or to use a proper degree. Using first names or informal greetings without being invited could be considered as insulting or even humiliating.

As a result of the high uncertainty avoidance for the managers is very important to build the trustworthy relation from the very beginning and they need to be informed in detail, hence the presentations should be well-prepared, accurate and thorough with enough charts and relevant figures. It is extremely important to be punctual for meeting and the unexcused or unjustified delays are considered very unreliable. (Gorill 2007; Kwintessential n.d.)

3.4.2 The Czech culture in Hofstede’s dimensions

If we explore the Czech culture through the lens of the 5-D Model, we can get a good overview of the deep drivers of the Czech culture relative to other world cultures.

**Power distance**

This dimension deals with the fact that all individuals in societies are not equal – it expresses the attitude of the culture towards these inequalities amongst us. Power distance is defined as the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally.

The Czech Republic scores low on this dimension (score of 35) which means that the following characterizes the Czech style: Being independent, hierarchy for convenience only, equal rights, superiors accessible, coaching leader, management facilitates and empowers. Power is decentralized and

\[16\] Bělášková, 2011, p. 27
Managers count on the experience of their team members. Employees expect to be consulted. Control is disliked and attitude towards managers are informal and on first name basis. Communication is direct and participative.

**Individualism**

The fundamental issue addressed by this dimension is the degree of interdependence a society maintains among its members. It has to do with whether people’s self-image is defined in terms of “I” or “We”. In Individualist societies people are supposed to look after themselves and their direct family only. In Collectivist societies people belong to ‘in groups’ that take care of them in exchange for loyalty.

The Czech Republic, with a score of 58 is an Individualistic society. This means there is a high preference for a loosely-knit social framework in which individuals are expected to take care of themselves and their immediate families only. In individualistic societies offence causes guilt and a loss of self-esteem, the employer/employee relationship is a contract based on mutual advantage, hiring and promotion decisions are supposed to be based on merit only, management is the management of individuals.

**Masculinity / Femininity**

A high score (masculine) on this dimension indicates that the society will be driven by competition, achievement and success, with success being defined by the winner / best in field – a value system that starts in school and continues throughout organizational behavior. A low score (feminine) on the dimension means that the dominant values in society are caring for others and quality of life. A feminine society is one where quality of life is the sign of success and standing out from the crowd is not admirable. The fundamental issue here is what motivates people, wanting to be the best (masculine) or liking what you do (feminine).
The Czech Republic scores 45 on this dimension and is thus considered a relatively feminine society. In feminine countries the focus is on “working in order to live”, managers strive for consensus, people value equality, solidarity and quality in their working lives. Conflicts are resolved by compromise and negotiation. Incentives such as free time and flexibility are favoured. Focus is on well-being, status is not shown.

**Uncertainty avoidance**

The dimension Uncertainty Avoidance has to do with the way that a society deals with the fact that the future can never be known: should we try to control the future or just let it happen? This ambiguity brings with it anxiety and different cultures have learnt to deal with this anxiety in different ways. The extent to which the members of a culture feel threatened by ambiguous or unknown situations and have created beliefs and institutions that try to avoid these is reflected in the UAI score.

The Czech Republic scores 74 on this dimension and thus has a high preference for avoiding uncertainty. Countries exhibiting high uncertainty avoidance maintain rigid codes of belief and behaviour and are intolerant of unorthodox behaviour and ideas. In these cultures there is an emotional need for rules (even if the rules never seem to work) time is money, people have an inner urge to be busy and work hard, precision and punctuality are the norm, innovation may be resisted, security is an important element in individual motivation.

**Long term orientation**

The long term orientation dimension is closely related to the teachings of Confucius and can be interpreted as dealing with society’s search for virtue, the extent to which a society shows a pragmatic future-oriented perspective rather than a conventional historical short-term point of view.
The Czech Republic scores 13, making it a short term orientation culture. Societies with a short-term orientation generally exhibit great respect for traditions, a relatively small propensity to save, strong social pressure to “keep up with the Joneses”, impatience for achieving quick results, and a strong concern with establishing the Truth i.e. normative. Western societies are typically found at the short-term end of this dimension, as are the countries of the Middle East.”

3.4.3 Typical feature of US Business culture

“It is difficult to define typical features of the business culture (as well as the features of other fields) in the United States of America. It is mainly because of the fact that most of the citizens are descended from relatively recent immigrants, who brought their own way of life from their country of origin. The largest minority groups are represented by Hispanics from Mexico and South and Central America, African-Americans and Asians. The main characteristics are based on the Western European culture (since the most of the inhabitants descend from European immigrants from England) with influences of many other cultures introduced by native peoples or various immigrants. This fact is intensified also by the considerable size of the country.

Due to their developed economy, business strategies and political and diplomatic powers the United States strongly influenced throughout the recent history the business cultures of other countries in the whole world.

US companies value first of all individualism, independency, equality and self-sufficiency. The business conventions are rather informal (the typical example is the common usage of the first names even in the business sphere). In the most of companies the feedback is very important and immediate. In this

17 http://geert-hofstede.com/czech-republic.html
way are reached conclusions and set the future plans. The most important issue is money, hence the US culture is considered very materialistic. The typical businessman is future-orientated, optimistic and not afraid of challenge or competition. The US business meetings are usually very effective. The managers follow the motto “time is money” and the priority is to do everything necessary as soon as possible. The participants are active, effective and direct with a minimum of emotional expressions during the meeting as well as in the business written communication. Due to their tendency to the quick feedback they like to be prepared and receive the discussed materials before the meeting or presentation is held. (Bočánková 2006, 64-66)

To sum it up the most significant characteristic of the US business culture from my point of view (in comparison to the culture of the Czech Republic) can be considered the high level of informality. The US managers show extreme friendliness and affection towards their business partners from the very beginning. Because of this fact they can be considered naive or insufficiently professional. However this casualness does not influence their negotiating and managing abilities. On the contrary, their business partners can be confused by the misleading impression of familiarity and their negotiating skills can be weakened. However it is easy to avoid such situation. The managers from other countries only need to be aware of this fact and to be prepared to maintain their own attitude to the business negotiation.”

---

18 Bělášková, 2011, p. 28
4 PRACTICAL PART

On 25 April 2012 I had an opportunity to make an interview with Frank Zauflik, Former Senior Vice President of Zurich Financial Services Group, and Former Director of CIGNA Company. Now he holds the post of Director in Centre for Leadership Excellence. The transcript is saved in the author’s archive.

What is leadership?

It can’t be said a simple definition. Regarding leadership, just don’t forget that leadership is contextual. How a business leader views the topic will be different than how a scientist, pastor, or academic may view leadership from their vocational perspectives. These differences are ok…

What do you appreciate about the CR?

There are many beautiful things about the physical aspects of the country. However, it is the people that make a country a country.

For Americans who are not accustomed to Czech society, Czechs can seem very quiet and reserved toward people they do not know. Sometimes Czech body language can even be felt as rudeness to an American. For example, often when in public spaces, I can see nearby Czechs staring at me while I am speaking English to someone. For Americans, staring at a person is a societal sign of rudeness.

As an American who has lived in the Czech Republic for a number of years, I have come to appreciate the Czech value for family and friends. Although Czechs may be slower than Americans to enter into friendships with new people, once the friendship relationship is made by a Czech, it is a friendship that is very precious.
The Czech societal relationship engagement is much deeper than the average American. Americans may know many people that they call friends, but have only a few friends with which they have deep and personal relationships. Generally, I have found Czech society to be the opposite reflection, fewer friends but deeper relationships.

Which cultural problems (cultural differences) did you meet with?

All people who travel between cultures face cultural differences. Although we often think about culture from a national perspective, differences between people groups within the same nation can be felt in many ways, such as socio-economic (rich & poor), or faith (Christian & Muslim), or language (Czech & Russian speakers).

For the tourist, these differences are experienced on a short-term temporary basis. Given the short-term temporary situation of tourism, cultural differences usually are not felt in stressful ways. Typically for the tourist, the differences are viewed as part of the excitement from the adventure of travel.

For someone who is not a tourist, meaning they are living for awhile within a different culture, cultural differences become more stressful. This is known as culture shock. The degree of culture shock will vary among individuals, but all people living for extended periods within a different culture will experience it.

Culture shock is understood as feeling frustration and anxiety from not knowing the rules or having the skills to adjust to a different culture. It is a feeling of disorientation from losing the signs and symbols that help us to understand a situation.

Culture shock is quickly felt when trying to conduct normal living activities, for example food shopping. The language differences, the different styles of packaging foods, and the different types of foods all serve to complicate things for a new person to a different culture when buying food.
**Do you think differences in cultures will disappear in future 50 years?**

In very simple terms, culture can be observed when people come together to live in a societal way. Although the people within specific cultures can find many differences among themselves, members of specific cultures will hold certain group tendencies at the societal level. These group tendencies reflect how the members of specific cultures have ordered their lives. How the group has ordered their society reflects the underlying values, principles and beliefs held by the group.

Although globalization may make people from different cultures look similar on the outside, globalization often does not influence underlying local values, principles and beliefs. Therefore, I believe that differences in cultures will always exist.

For a deeper perspective on culture, we should study it closer.

**It is possible to define culture?**

Culture is not a concept that has a universal definition used by everyone. How people seek to define culture can depend on one's starting point. Put in a different way, particular authors who are defining or describing culture seem influenced by which set of eyeglasses they are wearing: arts, history, business, politics, social science, and so on.

A different approach to understanding culture is seen through describing what culture is. When reducing this approach to culture into simple terms, various authors use similar keywords or key themes. Some of the more common words and themes used here for culture are that it is learned, not innate; it is the sharing of assumptions, beliefs, and so on; the sharing process develops into a pattern that groups of people follow; it includes rules about how to live; and it is also about interaction among people and the self identity people derive from that interaction. This approach to culture recognizes
human social interaction and how people relate to each other within those interactions.

Another approach to understanding culture is to describe what culture provides. One thing provided by culture is a sense of membership, along with the feeling of inclusiveness, strength, stability and comfortableness that is inherent with membership. Another view is that it provides people a sense of predictability, helping people to identify what to pay attention to. A third viewpoint is that one’s culture provides a framework against which to differentiate oneself (one’s self identity) with other cultures. This in turn leads to the thought that all cultures have something in common, with the thing in common being the existence of cultural differences. At times what differentiates cultures is not that they have differences but rather the differentiation is in how they try to resolve those cultural conflicts or dilemmas, according to Duane Elmer, Fons Trompenaars.

So far the highlights have been that plurality of cultures are ever present, a relational nature is inherent to all cultures, that cultures are not static meaning they have an essence of movement, and people have a pressing need to somehow make sense of all of this. For the business context, leaders can help by adding meaning, purpose, and the function of integration to this collage of culture.

Thank you.
5 CONCLUSION

The aim of this thesis was to describe the theory of leadership and culture.

The first part of the thesis showed 4 main approaches of leadership. There are a lot of different ways to research, analyze and explore leadership, this is why a lot of researchers got different results. It has been shown that one can focus on different aspects when exploring leadership; these aspects are divided into four main approaches; the power-influence approach, the behavior approach, the trait approach, and the situational approach according to Yukl.

The second part of the thesis deals with analyzing culture. Culture can be defined as ‘The collective programming of the mind, which distinguishes the members of one human group from another’ (Hofstede, 2004), or ‘Shared motives, values, beliefs, identities, and interpretations or meanings of significant events that result from common experiences of members of collectives and are transmitted across age generations’ (House, 2002), of course many other definitions exist.

The last part – practical part contains an interview with a coach of leadership. It mainly touches the differences in Czech and American culture.

This thesis has been written from an exploratory perspective due to time limitations, therefore conclusions drawn are based upon findings of other researchers and scientific literature.

For Future research we can also analyze which type of leader we need.
6 BIBLIOGRAPHY


7 ABSTRACT

This bachelor thesis deals with the topic of leadership and culture. In the theoretical part the theory of leadership and culture is being introduced. Czech and American culture are described. The practical part contains an interview with Frank Zauflik, Director in Centre for Leadership Excellence.
8 RESUMÉ

Tato bakalářská práce se zabývá tématem leadershipu a kultury. V teoretické části je představena teorie leadershipu a kultury. Praktická část obsahuje rozhovor s Frankem Zauflikem, ředitelem Centre for Leadership Excellence.
9 APPENDIX

A model of culture

(Dodd, 1998, quoted in Liu et al. 2011: 58)