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CORE AND PERIPHERAL CULTURAL VALUES AND THEIR RELATIONSHIP TO TRANSFORMATIONAL LEADERSHIP ATTRIBUTES OF SOUTH AFRICAN MANAGERS

By

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In 2005 a printout of this thesis, as well as all my research material, was blown across the arid landscape of the Klein Karoo after a traumatic car accident. A few months later, the computer that stored my data was stolen from me at gunpoint. Most of all, I would like to thank my Creator for being there when I felt like giving up and for giving me the strength and opportunity to complete this study.

ABSTRACT

TITLE:	Core and peripheral cultural values and their relationship to transformational leadership attributes of South African managers.
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Due to the changing demographics of South African organisations after the 1994 elections and the subsequent sub-cultural diversification, the working environment is becoming the primary place where the different South African sub-cultural groups, with their different value systems, are in interaction with each other. The consequent lifting of sanctions exposed South African organisations to globalisation and international competition. This forced managers to improve organisational processes and operations, not only to protect their own domestic markets, but also to become internationally competitive. At the same time, they had to adhere to newly created labour legislation, which dramatically changed the face of the South African labour market. The complex combination of several sub-cultures in the South African work environment can adversely affect organisational effectiveness if not properly understood and managed by effective transformational leaders. The concept of cultural values was used to explore the differences, as well as the similarities, between the various sub-cultural groups in the South African environment.

This study examined cultural differences and similarities between 477 junior and middle managers in the financial services sector, who belonged to the four South African sub-cultural groups (Black, Coloured, White, and Indian), and between South African male and female managers. It also investigated whether cultural values change indiscriminately during the acculturation process, or whether certain cultural values, labelled peripheral values, change easier or before other cultural values, labelled core values. Due to the importance of transformational leadership in the work environment, this study also explored the differences

and similarities of South African managers on Bass and Avolio's Full Range Model of Leadership. (Avolio & Bass, 1999; Bass, 1985, 1997).

A moderate social constructionist theory was used as a framework for this study, to analyse and describe quantitative results obtained with the various measuring instruments. Firstly, it was found that although there were statistically significant differences between most of the cultural value dimensions of the various sub-cultural groups, not all of these differences were practically significant. Results indicated that these groups could often be clustered together on specific cultural value dimensions, sometimes consisting of a Black, White, and Coloured cluster, sometimes as a Black, Coloured, and Indian cluster, and so forth.

Secondly, independent variables other than sub-cultural group, gender, and age also showed practically significant relationships with some of the cultural value dimensions.

Thirdly, the results indicated that the cultural values are very stable, even in the dynamic and multi-cultural South African environment, and as such, no core or peripheral values could be identified.

Finally, the results also indicated that the transformational-transactional leadership model is cross-culturally endorsed within the South African financial services sector. It pointed out that irrespective of gender, junior or middle management level, age, educational level, number of years full-time work experience, number of years as manager, or having been exposed to formal Western management training, all managers evaluated themselves as more transformational than transactional.

Keywords:
Afrocentric leadership, assertiveness, cross-cultural leadership, collectivism, cultural values, diversity, female leadership, future orientation, gender egalitarianism, humane orientation, individualism, masculinity/femininity, new economy leadership, power distance, social constructionism, transformational leadership, *Ubuntu*, uncertainty avoidance, Western leadership.

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OPSOMMING

TITEL:	Kern en perifere kulturele waardes en hulle verband met transformasionele leierskapeienskappe van Suid-Afrikaanse bestuurders.
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Weens die verandering in demografiese veranderlikes in Suid Afrikaanse organisasies sedert die 1994 verkiesing en die daaropvolglike sub-kulturele diversifisering, het die werksomgewing die plek geword waar die verskillende Suid-Afrikaanse sub-kultuurgroepe met hulle verskillende waardesisteme in interaksie is. Die gevolglike opheffing van sanksies na die verkiesing het Suid-Afrikaanse organisasies blootgestel aan globalisering en internasionale kompetisie wat bestuurders genoop het om organisatoriese prosesse te verbeter, nie net om die plaaslike mark te beskerm nie, maar ook om internasionaal kompeterend te word. Terseldertyd, moes hulle voldoen aan nuwe arbeidswetgewing wat die aanskyn van die Suid-Afrikaanse arbeidsmark dramaties verander het. Die komplekse kombinasie van verskeie sub-kulture in die Suid-Afrikaanse werksomgewing kan 'n negatiewe impak hê op organisatoriese effektiwiteit indien dit nie behoorlik deur effektiewe transformasionele bestuurders verstaan en bestuur word nie. Die konsep van kulturele waardes is gebruik om nie net verskille nie, maar ook ooreenkomste tussen die onderskeie sub-kultuurgroepe in die Suid-Afrikaanse omgewing te ondersoek.

Hierdie studie het die kulturele verskille en ooreenkomste van 477 mans en vroue, junior en middelvlakbestuurders van die vier Suid Afrikaanse sub-kultuurgroepe (Swart, Kleurling, Wit en Indiër) in die finansiële sektor ondersoek. 'n Verdere doelstelling was ook om te bepaal of kulturele waardes onbepaald tydens die akkulturasieproses verander en of sekere waardes (perifere waardes) makliker of voor ander waardes (kernwaardes) sal verander. Weens die belangrikheid van transformasionele leierskap in die werksomgewing, het hierdie studie ook

die verskille en ooreenkomste van Suid-Afrikaanse bestuurders op Bass en Avolio se sogenaame "Full Range Model of Leadership" ondersoek (Avolio & Bass, 1999; Bass, 1985, 1997).

'n Matig sosiaal-konstruksionistiese teorie is as 'n raamwerk in die huidige studie gebruik, ten einde die kwantitaiewe resulate wat met die onderskeie meetinstrumente bekom is, te analiseer en te beskryf. Alhoewel daar statistiese betekenisvolle verskille tussen die meeste van die kulturele waardes van die onderskeie sub-kultuurgroepe was, was al hierdie verskille nie altyd prakties betekenisvol nie. Resultate het gewys dat hierdie groepe dikwels saamgegroepeer kon word op spesifieke kulturele waardes. Dié groepe het soms bestaan uit 'n Swart-, Wit- en Kleurlinggroep, soms uit 'n Swart-, Kleurling- en Indiërgroep, ensovoorts. Nog 'n gevolgtrekking was dat ander onafhanklike veranderlikes, behalwe sub-kultuurgroep, geslag en ouderdom, ook praktiese betekenisvolle verbande met sommige van die kulturele waardes getoon het. Resultate het ook aangedui dat kulturele waardes baie stabiel is, selfs in die dinamiese en multi-kulturele Suid-Afrikaanse omgewing en gevolglik kon geen kern of perifere waardes geïdentifiseer word nie.

Resultate het, laastens, aangedui dat die transformasionele-transaksionele leierskapsmodel transkultureel ondersteun word deur bestuurders in die Suid Afrikaanse finansiële sektor. Resultate het verder daarop gedui dat alle bestuurders hulself meer transformasioneel as transaksioneel geevalueer het, sonder aansien van geslag, bestuursvlak, ouderdom, opvoedkundige vlak, aantal jare werkservaring, aantal jare as bestuurder, of blootstelling aan formele Westerse bestuursopleiding.

Sleutelterme:

Afrosentriese leierskap, diversiteit, geslagsgelykheid, individualisme, kulturele waardes, kollektivisme, magsafstand, manlikheid/vroulikheid, menslikheidsoriëntering, nuwe-ekonomie leierskap, selfgeldendheid, sosiale konstruksionisme, toekomsoriëntering, transformasionele leierskap, transkulturele leierskap, *Ubuntu*, vermyding van onsekerheid, vroulike leierskap, Westerse leierskap.

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CHAPTER 1
CONTEXT AND FRAMEWORK

INTRODUCTION

The South African milieu has been one characterised by a turbulent history, beginning with pre-colonialism, colonialism, Union Government, independent Republic, and the present "true" democracy after the elections, resulting in Black majority rule in 1994 and an end to Apartheid. This became a turning point that catapulted this nation into wide sweeping changes that have deeply influenced the social, political, and economic environments.

Luthans, van Wyk, and Walumba (2004) argued that most countries around the globe are exposed to sometimes radical changes on all levels, but that the focus of the world's media is on political, military, and economic solutions, while organisational leaders are left to struggle with the "grassroots" challenges of the world we find ourselves in. They agreed that South Africa is a good example of the various challenges facing many other countries around the globe and mentioned that "organizational leaders are on the cusp between fear and hope and between threat and opportunity" (p. 512).

In a sense, the South African cultural environment or the so-called Rainbow Nation, is unique. Although this environment has been multi-cultural for many centuries, with varying degrees of separation, the various South African sub-cultural groups lived very separate lives over the years. Sonn (1996) remarked that differences between Black and White were already acknowledged and commented on in the ancient world, but without negative values, thoughts, and feelings associated with these differences. Racist theory and classification according to race had its origins in the sixteenth and seventeenth centuries. This period also coincided with expansionist policies in Europe and had an overpoweringly negative impact on the relationships of Africans and Europeans. Since then, these attitudes affected the writing of history and the development of the social sciences, reinforcing the idea that the races are different, with White people being classified as superior and Black people as "less than".

Jan van Riebeeck, an official of the Verenigde Oostindische Compagnie (VOC), and his 80 company employees, established a fort in the Cape in 1652 to obtain food for the Dutch fleets sailing around the Cape to the East. The ships could stop to take on fresh water, fruit and vegetables grown by van Riebeeck and his VOC employees, and trade for meat and milk from the local Khoikhoi. However, after a few years, the Khoikhoi became increasingly unwilling to trade with the Dutch due to low prices offered by the VOC and the harsh way they were treated by the Dutch. As a result, the VOC implemented three processes in the 1650s that created and entrenched a racially stratified society in this country. The VOC decided to import slaves to meet labour needs, which continued until the British stopped the trade in 1807. Secondly, the VOC made a decision to allow employees to establish farms, giving rise to a local settler population and thirdly, to provide in the ever-increasing needs of the fleets, as well as the growing local population, the Dutch expanded even further into the lands of the Khoikhoi, engaging in a series of wars that contributed to the annihilation of the indigenous population (Library of Congress Country Studies, n.d.).

The British seized the Cape from the VOC in 1795, but returned the colony to the Dutch government in 1803. In 1806, however, the British again took control of the Cape to protect the sea route to their Asian empire during the Napoleonic wars. The British continued to rely on imported slave labour during their rule, and introduced racially discriminatory legislation to force the Khoikhoi and "free" Black people to work for as little as possible. The *Hottentot Code of 1809* required that all Khoikhoi and Black people carry passes, stating where they lived. Without these passes they could be forced into employment by White masters.

Various anti-Indian laws were passed by the Republics of Natal, Orange Free State, and the South African Republic (Transvaal) during the seventeeth and eighteenth centuries (South African History Online, n.d.). The first discriminatory legislation directed at Indians, *Law 3 of 1885,* prohibited Indians to become citizens of the South African Repuclic (Transvaal) or from owning immovable property in the Republic. The law also stated that the names of all Indians should be inscribed in a register. In 1888, legislation was passed for all Indians in the South African Republic (Transvaal) to carry passes or face arrest. This law also placed Indians in the same category as the indigenous African population (laborours). The *Orange*

Free State Act 29 of 1890 provided against the influx of Indians into the Orange Free State. At the time there were only nine licensed Indian traders in the Orange Free State. The *Statute Law of the Orange Free State of 1891* prohibited Chinese, Indians or Coloureds from managing businesses or farming in the Orange Free State. All Indian businesses were forced to close by 11 September 1891 and owners deported from the Orange Free State without compensation. The *Franchise Act No 8 of 1896* disenfranchised Indian people in Natal (Black people were disenfranchised in 1865).

The National Party, which came into power in 1948, continued this trend and enacted laws to define and enforce segregation. The aim of these laws were to institute the theory that Whites should be treated more favourably than Blacks, and that separate facilities did not have to be equal. Some of these laws focused on separating Black from White, for example, the *Population Registration Act, Act No 30 of 1950*, which provided a basis for separating the South African population into different races and led to the creation of a national register in which every person's race was recorded; *Prohibition of Mixed Marriages Act, Act No 55 of 1949*, which prohibited marriages between white people and people of other races; *Immorality Amendment Act, Act No 21 of 1950, amended in 1957 (Act 23)*, which prohibited adultery, attempted adultery or related immoral acts (extra-marital sex) between White and Black people; *Bantu Homelands Citizens Act of 1970*, which compelled all Black people to become a citizen of the homeland that responded to their ethnic group; *Group Areas Act, Act No 41 of 1950*, which forced physical separation between races by creating different residential areas for different races; and the *Group Areas Development Act, Act No 69 of 1955*, which segregated living areas).

Other laws entrenched the principle of separate and unequal, like the *Bantu Building Workers Act, Act No 27 of 1951*, which made it a criminal offence for a Black person to perform any skilled work in urban areas except in those sections designated for Black occupation; *Separate Representation of Voters Act, Act No 46 of 1951*, which, together with the 1956 amendment, led to the removal of Coloureds from the common voters' roll; *Native Labour (settlement of disputes) Act of 1953*, which prohibited strike action by Blacks; *Bantu Education Act, Act No 47 of 1953*, which the author of the legislation, Dr Hendrik Verwoerd, then Minister of Native

Affairs, later Prime Minister, stated that its aim was to prevent Africans receiving an education that would lead them to aspire to positions they would not be allowed to hold in society; *Reservation of Separate Amenities Act, Act No 49 of 1953*, which forced segregation in all public amenities, public buildings, and public transport with the aim of eliminating contact between Whites and other races ("Europeans Only" and "Non-Europeans Only" signs were put up); and the *Extension of University Education Act, Act 45 of 1959*, which put an end to Black students attending White universities.

Security legislation during the Apartheid era, included the *Suppression of Communism Act, Act No 44 of 1950,* which declared the Communist Party and its ideology illegal; *Public Safety Act, Act No 3 of 1953*, which gave the British Governor-General the power to suspend all laws and to proclaim a state of emergency; *Criminal Law Ammendmend Act, Act No 8 of 1953* which stated that anyone accompanying a person found guilty of offenses committed while protesting in support of any campaign, would also be presumed guilty and would have to prove his or her innocence; and many more. The National Party's legislative programme received increasing support from the South African White electorate, which allowed them to stay in power from 1948 till 1994 (Library of Congress Country Studies, n.d.).

Finchilescu and Dawes (1999) labelled the 1960s as South Africa's most politically repressive periods. International sanctions against South Africa in response to Apartheid had serious negative effects on economic growth and infrastructure of business and the management of organisations. In the late 1980s and early 1990s, South Africa was a highly polarised and violent society where mistrust between employees, unions, and managers was at its peak. The State of Emergency declared by the Government, stay-aways, boycotts, and rolling mass protest action held severe implications for the country's already vulnerable economic position.

After the first true and independent democratic elections resulting in Black majority rule in 1994, a certain level of anxiety and racial antagonism was, however, still prevalent. Since then, many factors that influenced political socialisation during the Apartheid years have seen significant changes. Inter-group contact is possible as schools, institutions of higher learning,

neighbourhoods, churches and work environments are more integrated than before. Organisations had to become more competitive to protect local market interests against international competition as well as competing internationally, while adhering to new labour legislation and changing labour relations. It is within this environment that all South Africans are faced with the challenges brought about by the political, social, and economic changes (Denton & Vloeberghs, 2002; Finchilescu & Dawes, 1999; Luthans et al., 2004).

CHALLENGES FACING SOUTH AFRICAN ORGANISATIONS POST-1994

Sanctions were lifted after the 1994 elections and South African business leaders were faced with rapid and unprecedented changes. Globalisation and international competition forced organisations to improve their processes and streamline their operations to protect their own domestic markets which they had controlled during the Apartheid era, as well as ensuring that they became internationally competitive. At the same time, they had to adhere to newly created labour legislation, which dramatically changed the face of the South African labour market. An even larger challenge was to deal with the following organisational cultures and dynamics described by Roodt (1997, p. 16):

- A "them and us" culture, which defined a predominantly White management minority from the general workforce that was predominantly Black and unskilled;
- Affirmative action and its prospects as new criteria for jobs and promotion created stress, aspirations and fear for job security;
- Undesirable labour relations with very strong union backing and the tendency towards conflict and violence;
- Increasing diversity within the workplace and continuous stereotyping of members belonging to out-groups;
- The existing privilege and discrimination practices based mainly on race and ethnicity despite changes in legislation;
- The wealth and poverty gap that existed and continued to grow between the "haves" and the "have nots"; and

- Illiteracy predominant among the greater portion of the South African labour force, which was a major contributing factor to the high unemployment figures amongst the Black population due to the lack of skills and access to technology.

Despite the creation of a free economy after the democratic elections in 1994 and the constitutionally entrenched human rights, organisations and the majority of South Africans are still plagued by the legacy of Apartheid. It is not possible to overturn political and cultural structures and conventions that had been instilled over centuries into social practice and forcibly entrenched throughout every aspect of society since 1948.

Sonn (1996) expanded on this view by stating that all South Africans will have to discuss and unlearn the various manifestations of the "White-is-right" and "West-is-best" assumptions. He explained that all South Africans were socialised with these assumptions and that it was not only Whites that internalised these assumptions, but also people of Colour who acted as "less than", as a survival strategy. The challenge is for all South Africans to become aware of and unlearn manifestations of internalised oppression, because "both the oppressor and the victim are part of a dehumanising process" (Sonn, 1996, p. 2). This imposes a major challenge to organisational leaders to close the gap between the current South African reality and the expectations of employees to fulfil their needs and wants within an unrealistically short time span (Hargreaves, 1997; Mbigi, 1994a).

Despite all these challenges, Luthans et al. (2004) highlighted the fact that South Africa is not only undergoing radical changes and related problems, but that it is also seen as a symbol of hope, not only for Africa, but for the entire world. They based this view on the fact that South Africa has managed, amongst others, to entrench a democratic culture, free press, independent judiciary, and advanced organisational systems within a decade after the end of Apartheid, and within the bounds of a complex socio-political and economic environment.

However, the South African population is a complex combination of several sub-cultures, a fact which can adversely impact on organisational effectiveness if not properly understood and managed. Various authors (Booysen, 1999, 2001; Khoza, 1994; Koopman, 1994; Sonn,

1996) have cautioned that cultural differences could lead to problems if managed incorrectly. Accordingly, the concept of cultural values will be used as a way to explore not only the differences, but also the similarities between the various sub-culture groups in the South African environment.

Cultural Values

Hofstede defined culture as "the collective programming of the mind which distinguishes the members of one human group from another" and determines the identity of a human group in the same way as personality determines the identity of an individual (1980a, p. 25). According to this definition, culture always refers to a collective, because it is shared with people who are living in the same social environment. Values are often used to differentiate among individuals and cultures in cross-cultural research (Ball-Rokeach & Loges, 1994; Mayton, Ball-Rokeach & Loges, 1994; Smith & Swartz, 1997).

Hofstede's (1980a, 1991) Value Belief Theory implies that cultural values influence individual and group behaviour and incorporates the following four cultural value dimensions:

- Individualism/Collectivism;
- Power Distance;
- Uncertainty Avoidance; and
- Masculinity versus Femininity.

Hofstede and Bond (Chinese Culture Connection, 1987; Hofstede & Bond, 1988) identified a fifth value dimension, which they labelled Long Term versus Short Term Orientation.

Project-GLOBE (den Hartog, House, Hanges, Ruiz-Quintanilla, & Dorfman, 1999; House, Wright & Aditya, 1997; House, Hanges, Ruiz-Quintanilla, Dorfman, Javidan, Dickson, Gupta, & GLOBE Country Co-Investigators, 1999) substituted Hofstede's Masculinity versus

Femininity dimension with Gender Egalitarianism versus Gender Differentiation and Assertiveness. They also identified two more cultural dimensions, namely, Humane Orientation and High Performance versus Low Performance Orientation.

Cultural Strata

Hofstede (1991, p. 10) argued that all individuals belong to a number of different groups and categories simultaneously which relate to different levels of culture:

- A national level corresponding to one's country;
- A regional and/or ethnic and/or religious and/or linguistic affiliation;
- A gender level;
- A generational level which distinguished between children, parents, and grandparents;
- A social class level, associated with educational opportunities; and
- An organisational level for those who are employed.

He also explained that nations should not be equated to societies. He defined societies as "organically developed forms of social organization, and therefore the concept of a common culture applies strictly speaking, more to societies than to nations". However, this does not negate the fact that many nations, who contain different groups or less integrated minorities, are fully developed entities. Hofstede (1980a) distinguished between cultures (societies, nations, ethnic or regional groups) and sub-cultures (other human categories like organisations, families, educational levels, occupations, and gender). Although the cultural value dimensions are mostly utilised as indicators of national cultures, it is clear that they can also be used to measure sub-cultural differences within the same national culture.

Booysen (1999) obtained permission to adapt the Project-GLOBE Societal Questionnaire to measure sub-cultural differences within the same national culture, as opposed to the Project-GLOBE questionnaire which measures values between national cultures. In the present study, Black, Coloured, White, and Indian managers, as well as male and female managers were seen as sub-cultures within the same national culture.

groups, it is possible that some cultural values (peripheral values) may change before others (core values), as individuals belonging to the various sub-cultural groups are exposed to the norms, values, ideologies, beliefs and attitudes of each other.

Social Constructionism

Based on the work of Gergen (1985, 2001), the cultural value dimensions discussed above can be interpreted as social constructions. Although information regarding these value dimensions were obtained scientifically, the outcomes of these interpretations are still products of a creative interpretation process that is carried out in a given social context and specific social interaction. Liebrucks (2001) emphasised that scientific research is embedded in a specific society and is dependent on the conceptual and methodological framework of the scientists. Hofstede (1990) acknowledged that the cultural value questionnaire used in his studies was developed within a Western context and explained why it took an instrument developed by Asian minds to find a fifth dimension of national culture differences.

Constructionists do not agree that categories like race, ethnicity or gender consist of intrinsic traits because these categories are often socially constructed and defined by society. As a result, people build stereotypes of others solely based on their perceptions of prominent differences, for example, between ‘maleness’ and ‘femaleness’ or ‘whiteness’ and ‘blackness’. Despite obvious evidence for the existence of individual differences amongst members belonging to other groups or categories, people still find it meaningful to construct mental categories (Rodkin, 1993).

Hofstede (1980a) highlighted the fact that the differences between the various cultural value dimensions were on the statistical level and that it should not be confused with differences on the individual level. This is in line with the often misleading trend of confusing the meaning of the term “statistical significance” with the meaning of the term “important”. As a result, findings that are indicated as statistically significant can be regarded as practically important or significant over time. Statistical differences between the scores obtained by the various sub-cultural or gender groups, or between any of the other independent variables measured in

this study, do not necessarily imply practical significance. Results should therefore be interpreted with the utmost sensitivity as to not further entrench existing stereotypical assumptions regarding various groups in South Africa. Due to the South African history of racial categorisation, it is evident that a deconstructionist approach should be incorporated during the interpretation of results. Deconstructionism aims to unravel hidden or underlying assumptions, contradictions and repressed meanings of social constructions.

Leadership in the Multi-Cultural South African Environment

Denton and Vloeberghs (2003) conceded that the impact of the radical changes on South African organisations can lead to leadership degeneration if not dealt with constructively. Whereas some employees interpret the challenges organisations face in this new global economy as positive, others are riddled with destructive emotions like fear, stress, anger, lack of enthusiasm, and mistrust. South Africans have for many years been protected from the competitive international environment, and many of these destructive emotions arise from the complexity of new competencies and skills that needs to be acquired. Due to the unexpected fundamental changes which they have no control over and the erosion of their confidence in their competencies, some employees become defensive and some complacent, and if not dealt with appropriately, such reactions can impact negatively on the effectiveness of the company and the transformation process. According to Denton and Vloeberghs (2003), the answer to this is effective transformational leadership.

Transformational Leadership

Leadership is often categorised as transactional or transformational (Avolio & Bass, 1999; Bass, 1985, 1990, 1995, 1997; Bass & Steidlmeier, 1999). Transactional leaders motivate their followers by promises, rewards or praise, while they are disciplined by negative feedback, disciplinary actions, and accusations; they consult with followers about what needs to be done in exchange for rewards. Transformational leaders are agents of change and are admired, respected and trusted by followers to such an extent that followers imitate the leader's behaviour. They are able to inspire followers to achieve more than what they thought

possible (both in terms of performance and their own development), while at the same time providing meaning and challenges to followers' work. Transformational leaders encourage followers to find innovative and creative ideas of doing the work by questioning assumptions and approaching old problems in new ways. All of the above is done while paying special attention to each individual's needs for achievement, and acting as mentor and coach to employees (Avolio & Bass, 1999; Bass, 1997; Bass & Avolio, 1987, 1993, 1994; Bass & Steidlmeier, 1999).

Bass argued that the transactional-transformational paradigm could provide a basis for the measurement and understanding of leadership universally because supporting evidence has been obtained in different countries. He pointed out that "universal does not imply constancy of means, variances, and correlations across all situations but rather explanatory constructs good for all situations" (1997, p. 130). The results of Project-GLOBE (62 cultures) supported an hypothesis that charismatic/transformational leadership attributes are universally endorsed as contributing to outstanding leadership (den Hartog et al., 1999).

Research has also shown that cultural values influence various aspects of leadership (Booysen, 1999, 2000; Hofstede, 1980b, 1991, 1998; House et al., 1997, 1999). Dorfman, Hanges, and Brodbeck (2004) mentioned that the Performance Orientation, Collectivism, Gender Egalitarianism, Future Orientation, and Humane Orientation cultural value dimensions were important cultural value drivers of the charismatic/value-based leadership dimension as determined by Project-GLOBE questionnaire. Due to the importance of transformational leadership, especially within a multi-cultural environment, the possible relationships between the various cultural value dimensions and Bass and Avolio's Full Range Model of Leadership will be investigated (Avolio & Bass, 1999; Bass, 1985, 1997).

New Economy Leadership

One of the important sets of skills required in the rapidly changing South African environment and the escalating changes brought about by developments in the twenty-first century, are improved leadership skills. As the new millennium is unfolding, most leadership

scholars are in agreement that styles that were effective in the more predictable twentieth century are inadequate in this new age of uncertainty and rapid change. This new century thus requires leaders with new skills (Adler, 1997, 1999; Bennis, 1996, 1997, 1998; Clark & Matze, 1999; Fulkerson, 1999; Graen & Hui, 1999; House, 1995; Kanter, 2000; Kotter, 1998c; Marquardt, 2000; Nel, 2004; Osterman, 2001; Sadler, 2003).

It is important to acknowledge that these fundamental changes are not just experienced on all levels in our society, but also occurring worldwide. These changes are creating an environment where successful leaders demonstrate flexibility, empathy, and a more collaborative form of leadership while remaining true to the core values of the organisation. Relational competence, change agent and risk taker, mentorship, the ability to generate trust, servant leadership, and transformational leadership have been identified as characteristics of leadership in the new global economy.

Female Leadership

Female leadership in the twenty-first century is closely linked to the topic of new economy leadership, since the leadership style of the new economy leader incorporates approaches frequently labelled as feminine. Furthermore, the number of female leaders is increasing in this twenty-first century and they are finding themselves in an environment that has until recently been dominated by male leaders. This does not imply that all female leaders are suitable to the new style. It refers rather to the notion that feminine characteristics, like well-developed interpersonal skills, such as exceptional communication skills, especially the ability to listen, empathy, nurturance, gentleness, negotiation, and conflict resolution skills are becoming admirable in both male and female leaders (Adler, 1997, 1999).

Various studies on gender and leadership produced various outcomes (Adler, 1997, 1999; Appelbaum, Audet & Miller, 2003; Cellar, Sidle, Goudy & O'Brien, 2001; Dreher, 2003; Eagly & Johnson, 1996; O'Leary & Ickovics, 1992; Oakly, 2000; Stanford, Oates & Flores, 1995; Yammarino, Dubinsky, Corner & Jolson, 1997). These related to whether or not the leadership approach differs between males and females, whether the difference is one of

leadership style, whether the difference is real or perceived, or whether one leadership approach is more effective than another. According to Kolb (1999), there appears to be few, if any, differences and there are more similarities than differences between male and female leadership.

Cross-Cultural Leadership

Numerous researchers have noted the impact of cultural diversity on organisational and leadership effectiveness in South Africa. They have cautioned that if not managed properly, these cultural differences could lead to problems. Two broad interpretations of diversity can be identified in the literature. The one interprets diversity as all the ways in which people differ from each other (Robinson & Dechant, 1997; Strydom & Erwee, 1998), while the other interprets diversity not only as the differences, but also the similarities between individuals and groups on any given dimension (Rooseveldt, 1995; Cilliers & May, 2002). Chemers and Murphy (1995) explained that diversity and leadership relate to two issues, namely diverse leadership and a diverse workforce. The focus in this study will be on the latter and refers to what type of leadership is necessary to effectively utilise the talent and energy of a diverse workforce by referring to the changed power dynamics in organisations, diversity of opinions, perceived lack of empathy, tokenism, lack of participation, and overcoming inactivity.

Booysen (1999, 2001), Khoza (1994) and others have argued that the prevalent Eurocentric management culture is significantly different from the emerging Afrocentric management culture. The humanistic philosophy of African humanism, or Ubuntu, is central to the concept of African management. It refers to an African philosophy of life and promotes supportiveness, cooperation, and solidarity (Broodryk, 1997; Khoza, 1994). This discussion is concluded by discussing attempts to value both Eurocentric and Afrocentric leadership approaches. Luthans et al. (2004, p. 515) emphasised that if cultural diversity is managed properly, South Africa "…can become a classic case and an example not only for Africa, but also for the rest of the world…"

RESEARCH OBJECTIVES

The objectives of this study are to:

- examine cultural differences and similarities between managers in the financial services sector belonging to the four South African sub-cultural groups (Black, Coloured, White, and Indian), and between South African male and female managers;
- examine whether cultural values change indiscriminately during the acculturation process, or whether possible peripheral cultural values would be easier to change before possible core cultural values;
- determine whether the cultural values of White and Black South African managers changed in any way since 1998; and
- explore the differences and similarities of South African managers on Bass and Avolio's Full Range Model of Leadership, specifically transformational leadership, as measured by the Multifactor Leadership Questionnaire (MLQ), as well as possible interactions between the various cultural value dimensions and this leadership model (Avolio & Bass, 1999; Bass, 1985, 1997).

RESEARCH METHODOLOGY

The South African society is complex and sub-culturally heterogeneous (ethnic origin, political history, educational level, socio-economic status, occupations, gender, age, and so forth). It has been widely argued that samples in heterogeneous societies should either be representative of the national population or consist of specific "organizations which are by their very nature multisocietal…" (Hofstede, 1980, p. 38). This cross-cultural study was quantitative in nature and will focus on the financial services sector.

Population and Sample

The population of this study consisted of Black, Coloured, White, and Indian, junior and middle managers in the financial services sector. The distribution of Black, Coloured, White,

and Indian, male and female managers in this industry is disproportional. A disproportional probability sample was used to include comparable numbers of male and female managers within each management level per organisation, belonging to the four population groups. This was done by using alphabetical lists of employees, categorised by population group, gender and managerial level.

Data Collection

Data were collected by the Human Resources departments of the various organisations participating in the study. Respondents received copies of the various questionnaires and a cover letter explaining the reason for the research by mail. Respondents were requested to return completed questionnaires by mail to their Human Resources departments in the envelopes provided by the researcher.

Measuring Instruments

The following measuring instruments were used in this study:

Biographical Questionnaire

The following biographical variables were included in this questionnaire: age, gender, sub-culture group, qualifications, managerial level (junior or middle management), exposure to any formal training in Western management practices, total number of years full-time work experience, number of years/months functioning at managerial level.

Societal Questionnaire

The scale was developed and validated by Project-GLOBE in the first and second phases of the study. According to House et al. (1999), the GLOBE scales have sound psychometric properties, which suggest that the scales can be used to measure differences between cultures, both in terms of societal and organisational phenomena. Booysen (1999) obtained permission

to adapt the Project-GLOBE Societal Culture scale of the questionnaire to measure sub-cultural differences within the same national culture (as opposed to the GLOBE questionnaire, which measures values between national cultures). The adapted questionnaire was validated for use in the South African study (Booysen, 1999, 2000).This questionnaire asks respondents to indicate their observations regarding their sub-culture on a 7-point Likert scale with respect to the cultural dimensions listed below:

- Uncertainty Avoidance;
- Gender Egalitarianism;
- Assertiveness;
- Future Orientation;
- Power Distance;
- Individualism/Collectivism;
- Humane Orientation; and
- Performance Orientation.

Core and Peripheral Cultural Values Questionnaire

The possibility of core cultural values (values that would be more difficult to change) and peripheral cultural values (values that would be easier to change), was explored by presenting respondents with the definitions of the various cultural values identified in the previous paragraph. Respondents had to indicate on a 7-point semantic differential scale, with the endpoints labelled, how easy or difficult they thought it would be for members of their own sub-culture group to change their cultural values in a changing environment. This questionnaire was specifically constructed for purposes of the present study.

Multifactor Leadership Questionnaire (MLQ)

The MLQ was originally developed (Bass & Avolio, 1997) to evaluate leaders on Bass and Avolio's Full Range Model of Leadership. A five-point rating scale is used to measure leader behaviour, ranging from 0 = "Not at all" to 4 = "Frequently, if not always". Data collected on

the MLQ substantially support the convergent and discriminant validity of the theoretical and empirically based factors with internally consistent scales (Bass & Avolio, 1997). Although the MLQ provides for self-assessments, as well as assessments by supervisors, colleagues, peers and direct reports, only self-assessments were utilised in this study. The MLQ consists of the following dimensions:

Four Transformational leadership components:

- Idealised Influence (Charisma);
- Inspirational Motivation;
- Intellectual Stimulation; and
- Individualised Consideration.

Three Transactional leadership components:

- Contingent Reward;
- Active Management-by-Exception; and
- Passive Management-by-Exception.

Non-leadership is measured by the Laissez-Faire component (Avolio & Bass, 1999; Bass, 1985, 1997; Bass & Avolio, 1997).

CONCLUDING REMARKS

As discussed earlier, one of the objectives of the present study would be to ascertain whether the differences and similarities of the cultural dimensions measured by Booysen (1999) between White and Black, male and female managers, had changed in any way as a result of the dynamic socio-political changes taking place in the country. The inclusion of Coloured and Indian, male and female managers in South African organisations will not only extend the scope of Booysen's (1999) study, but will also contribute to a better understanding of the cultural values and leadership attributes of all four South African cultural groups.

Due to the changing demographics of South African organisations after the 1994 elections and accompanied by the sub-cultural diversification, the working environment is becoming the place where the different South African sub-cultural groups, with their different value systems, are interacting with each other. Given the varying degrees of exposure to the diverse South African cultures by individuals of different groups, it is likely that the level or degree of psychological acculturation will not be the same for all members of a particular cultural group. It was also mentioned that values change during the process of psychological acculturation. No research could, however, be found which investigated the possibility of core and peripheral cultural values. The question is whether values change at random, depending on the individual, or whether certain values (peripheral) change before others (core) during the psychological acculturation process.

The Leader Attribute Questionnaire, as developed by Project-GLOBE (den Hartog et al., 1999), to assess the degree to which a particular leader attribute contributes to outstanding leadership, is not a self-report measure, but asks respondents to indicate the attributes they think distinguish highly effective leaders from others. This is in contrast to the self-report MLQ developed by Bass and Avolio (Avolio & Bass, 1999; Bass, 1985, 1997), which will be used to explore the possible relationships between the various cultural value dimensions described above and Bass and Avolio's Full Range Model of Leadership. This is the first study where Bass and Avolio's MLQ will be used to explore possible relationships between the various dimensions of Transformational, Transactional, and Laissez-Faire leadership and the cultural dimensions as measured by the Project-GLOBE questionnaire.

The information presented in this chapter is discussed in detail in the chapters to follow. Chapter 2 contains discussions on Hofstede's (1980a, 1991) Value Belief Theory, as expanded by Project-GLOBE. The distinction between individual-level and culture-level value dimensions will be clarified, after which the ongoing process of individual and cultural changes in the ever-changing historical and social context of the world we live in, are discussed. The chapter is concluded with a discussion of social constructionism.

The concepts of leadership and management are discussed in Chapter 3 with a brief overview of existing leadership theories, with an emphasis on the transactional versus transformational theory as expanded by Bass and Avolio (Avolio, Bass & Jung, 1999; Bass, 1985, 1997; Bass & Avolio, 1994). The concept of new economy leadership is also explored, and thereafter the role of female leaders in the new global economy will be discussed.

Chapter 4 explores the impact of culture on leadership and considers whether leadership manifests differently across cultures, or whether aspects of leadership are universal. The sub-cultural diversification of the workforce is highlighted and, since leaders cannot lead a culturally diverse workforce the same way they would a culturally homogeneous workforce, this chapter also explores cultural diversity aspects within the South African leadership context. The chapter is concluded with a discussion of the concept of African management.

The methodology of the study is discussed in Chapter 5. Consideration is given to methodological implications in cross-cultural research, an explanation of the sample, and the way the results were obtained are presented. This is followed by a description of the nature and development of the various measuring instruments used in the multi-measure questionnaire. The chapter is concluded with a description of the statistical procedures used in the analysis of the data and a description of the research objectives.

The results of the quantitative data obtained by the various measuring instruments are presented in Chapter 6. The presentation of results includes the descriptive statistics of the sample and thereafter the psychometric functioning (reliability and construct validity) of the measuring instruments are discussed. This is followed by descriptive and exploratory statistical analysis of the aggregated responses obtained on all the measuring instruments of the total sample that is based across management level, gender, and cultural group. These results will be discussed in-depth in Chapter 7 according to the research objectives as stated in Chapter 5. The thesis is concluded in Chapter 8 with a discussion of the important conclusions of this research project, as well as recommendations for future research.

Core and Peripheral Cultural Values

As more societies are exposed to the same technological products of the same scientific discoveries, the same artefacts, the same mass media, more cross-border commerce and more cross-cultural contact as a consequence of globalisation, there are those who are of the opinion that societies will become increasingly similar as a result of cultural change. Hofstede (1980a) reasoned that globalisation and technological developments will lead to partly similar developments in different societies, but that it would not eliminate differences between societies because these societies will deal with changes in different ways due to different pre-existing value systems. Although these value systems will have an effect on how societies deal with changes, Hofstede (1980a, 1984) reasoned that cultural values change very slowly, if at all.

When people of diverse cultural backgrounds are interacting regularly, behaviour changes sooner than the underlying values (Berry, 1997b; Hofstede, 1980b; Marino, Stuart & Minas, 2000). A distinction is therefore made between behavioural and psychological acculturation. Behavioural acculturation refers to the adoption of the observable or external aspects of the other culture(s) (language, social skills, and so forth), whereas psychological acculturation refers to the more complex process where the norms, values, ideologies, beliefs and attitudes of the other culture(s) are internalised. The Eurocentric or Western culture is usually regarded as the dominant culture, especially during behavioral acculturation.

However, after the 1994 elections, the emphasis on African values, "Africanisation of the work place", the African Renaissance, and other related concepts may also influence the cultural values of White, Coloured, and Indian South Africans. Berry (1997b) highlighted that acculturation is a neutral term which implies that change may take place not only in one, but in all of the interacting groups. Although the literature proposed that cultural values are very stable over time, very few of these studies were conducted in environments as unique and multi-cultural as the South African environment. Given the radical changes in post-Apartheid South Africa and the increasing interaction between members of the various sub-cultural

CHAPTER 2
CULTURAL VALUES

INTRODUCTION

The South African national culture is a complex combination of several sub-cultures. Values are often used to differentiate among different cultures and sub-cultures that have emerged in response to their very distinctive experiences. An advantage of using the concept of values in cross-cultural research is the fact that values can be generalised. Conversely, attitudes and behaviours are often situation specific and therefore less suited for cross-cultural comparisons. Smith and Schwartz (1997) pointed out that some researchers are often cynical about the use of values in cross-cultural research on account of the observation that people's behaviour often conflicts with their stated values. However, they mentioned that an analysis of the multiple and often competing value priorities relevant in specific situations, showed a consistency between individuals' values and their behaviour and attitude.

This chapter contains discussions on Hofstede's (1980a, 1991) Value Belief Theory, as expanded by the "Global Leadership and Organizational Behavior Effectiveness Research Program", or Project-GLOBE (den Hartog et al., 1999; House et al., 1997; House et al., 1999). Additionally, the distinction between individual-level and culture-level value dimensions will be clarified.

Smith and Schwartz (1997) argued that the value priorities that are prevalent in a society are key elements in its culture, while the value priorities of individuals relate to all aspects of behaviour. As such, values are well-suited for investigating the ongoing process of individual and cultural changes in the ever-changing historical and social context of the world we live in. Therefore, a further aim of this chapter is to explore the possibility of core and peripheral cultural values. It is generally accepted that when people of diverse cultural backgrounds are interacting regularly, behaviour changes sooner than the underlying values (Berry, 1997b; Hofstede, 1980a; Marino, Stuart & Minas, 2000). Since value systems change more slowly than the visible parts of culture (practices, language, and so forth), the question arises whether

cultural values will change indiscriminately according to individuals' personal, social and cultural experiences, or whether certain cultural values (labelled peripheral values) will be easier to change than others (core values).

The chapter is concluded with a discussion of social constructionism. The cultural value dimensions can also be interpreted as social constructions which can be challenged in order to understand the processes by which people come to describe and explain the world in which they live (Gergen, 1985).

THREE LEVELS OF HUMAN MENTAL PROGRAMMING

According to Hofstede (1980a), every individual's mental programming is partly unique and partly shared with other individuals. He distinguished between three levels of mental programming, the universal level being the most basic of the three. This level is shared by all mankind and includes the biological system, as well as a range of expressive behaviours such as laughing, weeping and aggressive behaviour. People belonging to the same groups or categories share the second or collective level. This level includes language, how people care for their children and the elderly, and numerous other aspects of culture. The third level is the individual level of mental programming, which is discussed in more detail later in this chapter.

Gergen (1985, 2001), a prominent promoter of the social constructionist view, has also been interested in understanding how meaning is constructed among people in the cultural context, emphasising language, dialogue, negotiation, cultural practices, the distribution of power, conflict, and rhetoric. He remarked that "…the process of understanding is not automatically driven by the forces of nature, but is the result of an active, cooperative enterprise of persons in relationships" (1985, p. 267).

Hofstede (1980a) used values and culture for describing individuals' mental programmes. Values are attributes of individuals as well as collectivities — where culture presupposes a collectivity. He defined a value as "a broad tendency to prefer certain states of affairs over

others" (1980a, p. 19). Smith and Schwartz defined values as "…standards to guide the selection or evaluation of behavior, people, and events" (1997, p. 80). Values form the core of culture and are among the first things children learn, even unconsciously. It is also essential to make a distinction between intensity and direction when discussing values. If we embrace a certain value, it means that the specific matter has relevance for us (intensity) and that we identify certain behaviours as "good" and others as "bad" (direction). Furthermore, values serve as the central components that surround the self to maintain and enhance the self-esteem (Mayton et al., 1994).

Hofstede (1980a) defined culture as the collective programming of the mind which differentiates between various cultural groups. In this sense, culture includes systems of values. Culture determines the identity of a human group in the same way as personality determines the identity of an individual. The term culture is not limited to countries, regions or ethnic groups within or across countries; it can also apply to other collectivities such as organisations, families, gender, different generations, religious groups and social class (Hofstede 1980a, 1990, 1991, 1998).

Distinction between Individual-Level and Culture-Level Value Dimensions

Cross-cultural value studies often take place on two distinct levels of analysis, namely individual or cultural. It is a challenge to draw a sharp dividing line between individual personality and collective culture, and also to determine which phenomena are culture specific and which are human universals. The individual level, or individual personality, is the unique part where no two individuals are exactly alike; it provides for a wide range of alternative behaviours within the same collective culture (Hofstede, 1980a). It follows that individuals have the ability to deviate from the mental programmes, to adapt to contradictory contexts, to react in ways that are creative and innovative, and to learn new behaviour (Booysen, 1999).

This view corresponds with the interpretive perspective on culture as discussed by Berry (1997a). According to this perspective, individuals are not viewed as mere pawns or victims

of their cultures, but as human beings who appraise cognitively and interpret their respective cultures in different ways.

On the individual level, values represent the motivational goals that serve as guiding principles in the lives of individuals. It is on this level that individuals will experience conflict or compatibility when pursuing their individual goals. Smith and Schwartz (1997), for example, pointed out that individuals might experience conflict when they seek authority for themselves while being humble at the same time. It is, however, possible to pursue, for instance, authority and wealth simultaneously.

On the other hand, culture-level values refer to the socially shared, intangible ideas about what is good or desirable in a society or cultural group. These values assist group members to decide whether their behaviour is appropriate and to justify their choices to other group members. Cultural values are also utilised as standards against which to evaluate organisational performance, for example, productivity, inventive products and processes, and social responsibility. Just as on an individual level, social institutions will experience conflict or compatibility with regard to collective values when pursuing individual goals. However, the dynamics of these relations are not the same as with the individual level values. As mentioned above, values relating to authority and humility are not always compatible on the individual level, whereas they could be compatible on the cultural level. On the cultural level, it is possible to accept that authority is desirable to organise human relations, while showing humility towards individuals in positions of authority (Smith & Schwartz, 1997).

DIMENSIONS OF CULTURE

Hofstede's (1980a, 1991) Value Belief Theory implies that cultures influence individual values and behaviour. Cultural values signify implicit and explicit ideas of what is right and desirable in society, and these explicit and implicit values are passed on to members of society through formal and informal socialisation processes (Schwartz, 1992, 1999). In his comprehensive study, Hofstede (1980a, 1991, 1998) measured the values of the employees of

IBM subsidiaries in 72 different countries. A factor analysis of the results produced four bi-polar value dimensions, which he labelled:

- Individualism/Collectivism, or the degree to which people in a country have learnt to act as individuals rather than as members of cohesive groups;
- Power Distance, or the degree of inequality among people that is considered normal within a culture;
- Uncertainty Avoidance, or the degree to which a culture prefers structured over unstructured situations; and
- Masculinity versus Femininity, or the degree to which values like assertiveness, performance, and success (masculine) prevail over values like quality of life, service, and caring (feminine). Project-GLOBE (den Hartog et al., 1999; House et al., 1997; House et al., 1999) substituted Hofstede's Masculinity and Femininity dimension with two cultural dimensions labelled:

    - Gender Egalitarianism versus Gender Differentiation, or the extent to which an organisation or society minimises gender role differences; and
    - Assertiveness, or the degree to which individuals in organisations or societies are confrontational, assertive or aggressive in interpersonal relationships.

In subsequent research, Bond (Chinese Culture Connection, 1987; Hofstede & Bond, 1988) identified a fifth value dimension, which he labelled "Confucian work dynamism". Hofstede renamed this dimension Long Term versus Short Term Orientation (Hofstede, 1990, 1991, 1994a, 1998; Smith & Schwartz, 1997).

Project-GLOBE (den Hartog et al., 1999; House et al., 1997; House et al., 1999) identified two more cultural dimensions, namely:

- Humane Orientation, or the degree to which individuals in organisations or societies encourage and reward other individuals for being fair, altruistic, friendly and caring; and

- High Performance versus Low Performance, or the extent to which an organisation or society encourages and rewards members for performance improvement and excellence.

It appears that the focus in the psychological literature is strongly on the Individualism/Collectivism dimension (See Carpenter, 2000; Eaten & Louw, 2000; Hui, 1988; Kashima et al., 1995; Rhee, Uleman & Lee, 1996; Triandis, 1993, 1994a, 1994b, 1995b, 1996; Triandis, McCusker & Hui, 1990). Hofstede cautioned about this notion of describing cultural differences in general by using the Individualism/Collectivism dimension only, "The usefulness of the five-dimensional model … is precisely that it discriminates among different kinds of cultural influences" (Hofstede, 1994b, p. xiii).

Individualism/Collectivism

The Individualism/Collectivism dimension describes the relationship between the individual and the various groups that exist in a particular society. This is reflected in how people prefer to live together, for example, nuclear families, extended families, tribes, and so forth (Hofstede, 1980a).

Attributes associated with collectivism include individual goals that are compatible with the goals of in-groups. This gives priority to in-group goals when there is discrepancy between the two sets of goals. There is a focus on the needs of in-group members during social exchanges, engaging in communal relationships, paying more attention to norms than to attitudes when predicting social behaviour, and maintaining harmony within the in-group.

Features of individualism include individual goals that may or may not be compatible with in-group goals. Individuals will give priority to personal goals when there is a discrepancy between the two sets of goals. The focus is on individual needs during social exchanges, engaging in exchange relationships, paying more attention to attitudes than to norms when predicting social behaviour, defining social space by using individuals as units of analysis and

accepting confrontations within in-groups (Rhee, Uleman & Lee, 1996; Triandis, 1993, 1995b, 1996).

Project-GLOBE (den Hartog et al., 1999; House et al., 1997; House et al., 1999) adapted Hofstede's Individualism/Collectivism continuum to include the Triandis Collectivism scale (Triandis, 1995b). The essence of Hofstede's dimension is independent versus interdependent behaviour and concern for individual versus collective interests. Project-GLOBE named this dimension Collectivism I. Triandis' Collectivism scale measures Collectivism separately from Individualism and is thus not conceptualised on a bipolar continuum. Triandis (1993) suggested that individualism and collectivism can coexist and are emphasised more or less depending on the situation. This scale measures the degree to which individuals express pride, loyalty and cohesiveness in their organisations or families. Project-GLOBE refers to this scale as Collectivism II (Booysen, 2000; House et al., 1999).

On the *organisational level,* the degree of individualism/collectivism in a society will strongly affect the nature of the relationship between individuals and the organisations that employ them. In collectivistic societies, there is a greater emotional dependence of members on their organisations, with organisations, in return, assuming a broad responsibility for their members. If this does not happen, there is dissonance between people's values, which would either lead to a shift in people's values toward more individualistic behaviour, or pressure towards a different collectivistic order, such as state socialism. Employees also display a greater moral involvement with the organisation, while persons admitted into positions of influence would be more involved with problems inside the organisation.

Parkes, Bochner and Schneider (2001) conducted research to determine person-organisation fit by only focussing on the individualism/collectivism value dimension. They found that collectivists were not only more committed to their organisations, but that they also had a longer tenure than individualists. Gelfand, Bhawuk, Nishii, and Bechtold (2004) added that important decisions tend to be made by groups and that selection of employees in collectivistic organisations can sometimes focus on relational attributes of employees. Furthermore, jobs are designed in groups to take full advantage of the social and technical

dimensions of the job, while compensation and promotions are based on what is fair for the group, as well as on considerations of seniority and personal needs. Motivation in the organisation is socially oriented and accountability for organisational failures and successes rests with the group. Avoidant, compromising, and accommodating conflict resolution tactics are preferred.

In individualistic organisations, employees display a greater calculative involvement with the organisation. Here members assume that they are independent of the organisation, while persons admitted into positions of influence would not be as involved within the organisation, but more with the world outside the organisation. These organisations are more interested in the work that employees perform, and not their personal or family welfare. Important decisions are left to the individual. Selection focuses first and foremost on employees' knowledge, skills and abilities. Compensation and promotions are based on equity, where individuals are rewarded in direct relation to their contributions. Motivation in these organisations is individually oriented. Accountability for organisational failures and successes rest with the individual, and direct and solution-oriented conflict resolution strategies are preferred (Gelfand et al., 2004; Hofstede, 1980a).

Hofstede concluded that this dimension is also more visible in organisational theories originating in different countries, "The strong feelings about the desirability of individualism in the United States make it difficult for some Americans to understand that people in less individualistically oriented societies want to resolve societal and organizational problems in ways other than the American one" (1980a, p. 219).

Kirkman and Shapiro (2001) conducted research to determine how team members' cultural values influence the productivity, co-operation and empowerment of self-managing work teams (SMWT). These authors defined SMWT as teams whose members are collectively responsible for a number of activities previously performed by a manager, such as assigning jobs, planning and scheduling work, making production or service related decisions and taking appropriate action on identified problems. Cultural values such as individualism/collectivism may create resistance to SMWT, which could lead to destructive

team outcomes. For successful SMWT, it is crucial for employees to work collaboratively and interdependently. The results showed that there is a positive association between a team's level of collectivism and its effectiveness. This was ascribed to the fact that high collectivism directly and indirectly facilitated high levels of interdependent co-operation between team members. Cox (1994) also mentioned the increased focus on teamwork in organisations (even in individualistic cultures), but that these practices fail because organisational reward systems are seldom aligned with this practice and continue to promote individualism.

Differences between employees on this dimension can also manifest in how managers prefer to allocate rewards and how employees prefer to receive them. Employees high on collectivism often favour an equality norm in which all members of a workgroup participate equally in the rewards, whereas employees high on individualism often favour an equity norm in which rewards are based on the individual contribution of each member (Cox, 1994).

The Independent/Interdependent Self

The relationship between the individual and the group is closely linked with societal norms and therefore impacts directly on an individual's self-concept. According to Schwartz and Bilsky (1990), individualism/collectivism is a major dimension of value differentiation at both societal and individual levels. The individual-level equivalent of individualism/collectivism is the definition of the self as interdependent in collectivism and independent in individualism (Kim & Sharkey, 1995; Markus & Kitayama, 1991, 1994a, 1994b; Mpofu, 1994; Sato & Cameron, 1999). Markus and Kitayama (1991) maintained that the interdependent self is most significant and complete when it is imbedded in the appropriate social relationship. As such, the interdependent self cannot be conceptualised as a "bounded whole" (p. 227), for it changes structure with the nature of the specific social context. In individualistic cultures, the aim is to become independent from others and to discover one's unique attributes. This view is based on a conceptualisation of the self "as an autonomous, independent person..." (p. 226) and is referred to as an independent self.

Power Distance

Some societies have formal systems of dominance while others attempt to minimise dominance. Hofstede (1980a) contended that inequality in a society could occur in physical and mental characteristics, social status and prestige, wealth, power, laws, rights, and rules. Social inequality is multi-dimensional. Some members of the society may have unique mental characteristics, but not wealth. Others may enjoy wealth and power, but not status. The conflict between status consistency versus overall equality is, according to Hofstede, one of the basic concerns in any human society.

Power refers to the potential of one individual to control or manage the behaviour of another individual, more so than the other way around where both individuals belong to the same social system. Power distance refers to the degree of inequality between more powerful and less powerful individuals (Hofstede, 1980a).

Carl, Gupta, and Javidan (2004) added that power bases, like land ownership, are stable and scarce in high power distance societies where power is seen as an essential dimension in providing social order. Furthermore, there is limited upward social mobility, and information is highly controlled and localised. Democracy does not ensure equal opportunities in societies where only a few people have access to resources, skills and capabilities, which contributes to low human development and life expectancies. In lower power distance societies there is a large middle class and power base, such as knowledge and skills, are temporary and shared. Power is experienced negatively and seen as a source of dominance and corruption. There is a high upward social mobility, and information is freely available and widely shared. Democracy ensures equal opportunity and development for all members of the society, where most members have access to tools, resources and capabilities for autonomous and entrepreneurial initiatives.

It follows then that there will be inequality of employees' abilities and power in organisations. The unequal distribution of power, formalised in a hierarchy, is not only the essence of organisations, but also essential to contain disorder and chaos. Power in organisations is

mainly exercised through the superior and sub-ordinate relationship. This relationship resembles that of parent and child, and of teacher and pupil, inasmuch as people often carry over values and norms from these earlier relationships into the organisation. Families and school environments differ significantly among cultures and, as a result, these differences play out in the exercise of power in organisational hierarchies (Hofstede, 1980a).

It is essential to consider that these value systems are those of both superiors and sub-ordinates, and not only that of superiors. Power and inequality dynamics in organisations reflect the values of both parties, just as disparities between groups in society are maintained by both dominant and non-dominant value systems. Subordinates are accomplices in how power is exercised in the system, and reflects the collusion by both parties to maintain the status quo. Power only exists where it is matched by obedience — the need for independence is matched by a need for dependence (Hofstede, 1980a).

Referring to effective SMWT, Kirkman and Shapiro (2001) mentioned that it is crucial for members to take on the authority and responsibility that has previously been expected of management. Individuals from high power distance cultures tend to be submissive in the presence of managers, avoid disagreements, and are very sensitive to actions that could be interpreted as insubordination. As such, they are comfortable where decisions of a strong leader take precedence over team decisions. Results of the research showed that the effectiveness of SMWT was lower in high power distance teams, because members resisted self-management and the type of autonomy that is characteristic of effective SMWT.

Uncertainty Avoidance

A basic fact of life is that we are daily living with conscious uncertainty. Excessive uncertainty creates insufferable anxiety and therefore society has developed ways through technology, law and religion to cope with the inherent uncertainty. Hofstede (1980a) categorised all human artefacts as technology, all formal and informal rules that guide social behaviour as law, and all revealed knowledge of the unknown as religion. Technology aids societies in defending societies against the uncertainties caused by nature. Law assists in

defending against the uncertainties caused by the behaviour of others, while religion helps to accept the uncertainties societies cannot defend themselves against. It is clear that no society can objectively build effective defences to protect against uncertainty, but it helps to contain the anxiety subjectively.

As with the previously mentioned value dimensions, different societies adapt to uncertainty in different ways. Totalitarian ideologies, for example, try to avoid anxiety caused by a low tolerance for freedom, because freedom implies uncertainty in the behaviour of oneself and others. Hofstede (1980a) stated that on the level of national cultures, norms for the tolerance or intolerance of ambiguity exists, which are independent of the norms for the dependence of authority (Power Distance). Cultural tendencies towards rigidity, dogmatism, traditionalism, superstition, racism, and ethnocentrism, all relate to Uncertainty Avoidance rather than to Power Distance. It follows that societies high on uncertainty avoidance experience higher levels of anxiety on account of their discomfort with unstructured situations. These societies focus on planning and stability as ways of dealing with life's uncertainties (Booysen, 1999).

Sully de Luque and Javidan (2004) expanded on the above by stating that members of high uncertainty avoidance societies tend to formalise their interactions with others and document agreements in legal contracts. They rely heavily on formalised policies and procedures, and establishing and following intricate rules, while taking more calculated and moderate risks. It comes as no surprise that members of these societies show less tolerance for breaking rules and a stronger resistance to change.

Low uncertainty avoidance societies tend to be more informal in their interactions with others and rely on the word of others rather than contractual agreements. As a result, they rely on informal interactions and norms rather than on formalised policies, procedures and rules. They are also less calculating when taking risks. Members of these societies show more tolerance for breaking rules and show less resistance to change (Sully de Luque & Javidan, 2004).

The ways societies deal with uncertainty avoidance also affect how they structure organisations to deal with uncertainty. Just as societies use technology, law and religion to cope with uncertainty, organisations use technology, rules, and rituals. Technology creates short-term predictability in an uncertain future, while rules reduce internal uncertainty caused by the unpredictability of the behaviour of their members and stakeholders. Hofstede (1980a) differentiated between the authority of rules and the authority of persons. The first relates to Uncertainty Avoidance, while the second relates to Power Distance. When the person who gives the order is irrelevant, as long as the position is assigned to the giving of orders, it refers to the authority of rules or Uncertainty Avoidance. When the authority of the person is put above the system of rules (arbitrary will of the leader), it suggests high Power Distance.

Rituals in organisations support social cohesion, since they concur with the values of the people involved. Meetings often serve a ritual purpose, having their own liturgy, sacred language, and taboos. However, uncertainty avoiding rituals do not make the future more predictable. They only relieve some discomfort caused by uncertainty and allow members to continue functioning (Hofstede, 1980a).

On an operational level, organisations in high uncertainty avoidance societies will inhibit new product development, but facilitate the implementation stage with elaborate risk aversion and control procedures. Organisations in low uncertainty avoidance societies will facilitate new product developments in the initiation phase through higher risk taking and minimal planning and controls. Sully de Luque and Javidan (2004) also reported that high uncertainty avoidance organisations tend to rely on structured assessment techniques such as assessment centres, structured interviews and various verification procedures when recruiting new employees, while low uncertainty avoidance organisations prefer low-risk, interpersonal recruiting practices such as employee referrals, internal recruitment, internships, and apprenticeships.

Masculinity versus Femininity

"The only difference between women and men which is absolute is that women bear children and men beget them" (Hofstede, 1980a, p. 262). Nevertheless, most societies acknowledge

that certain behaviours are more suitable to females and others to males. These roles often represent comparatively random choices mediated by cultural norms and traditions. There is a common trend among most societies to allocate a more nurturing role to women, whereas men are supposed to be concerned with economic and other achievements. This pattern of male assertiveness and female nurturance leads, according to Hofstede (1980a), to male dominance in matters of politics and economic life. Terms like "aggressive", "ambitious", and "competitive", are typical descriptions of masculine behaviour, while "affectionate", "compassionate", and "understanding", often refer to feminine behaviour.

On the other hand, there is evidence of variation on the common gender role pattern in some cultures. Due to active feminist movements in many societies, some women and men do not take the traditional pattern of male dominance for granted and try to develop alternative role distributions. Since only a small part of gender role differentiation is biologically determined, gender role patterns are almost completely the result of socialisation. Socialisation implies that both males and females learn their place in society, and once they have learnt it, the majority of them want to keep it that way. The same dynamics are salient here as with the superior-subordinate relationship mentioned in the section dealing with power distance. That is, in male dominated societies, most women collude to maintain male dominance (Hofstede, 1980a).

Organisations in high masculinity societies often have goals that concur with the achieving role of the male, and as such, are almost always led by males with a climate established by males. This leads to prejudice against female leaders and supports the general pattern of male dominance in most societies that males have a higher status than females and are therefore not expected to take orders from females (Hofstede, 1980a).

Project-GLOBE (den Hartog et al., 1999; House et al., 1997; House et al., 1999) substituted Hofstede's masculinity/femininity dimension with two cultural dimensions labelled:

- Gender Egalitarianism versus Gender Differentiation, or the extent to which an organisation or society minimises gender role differences; and

- Assertiveness, or the degree to which individuals in organisations or societies are confrontational, assertive or aggressive in interpersonal relationships.

According to Booysen (1999, 2000), high Assertiveness and low Gender Egalitarianism indicate high Masculinity, while low Assertiveness and high Gender Egalitarianism indicate high Femininity.

Gender Egalitarianism

Emrich, Denmark, and den Hartog (2004) mentioned that certain societies are more gender egalitarian, in that they purposefully attempt to reduce gender role differences, while others are more gender differentiated and endeavour to maximise these differences. They continued by arguing that Hofstede's (1980a) Masculinity versus Femininity dimension includes aspects of assertiveness, gender egalitarianism, humane orientation, and achievement orientation, which makes it difficult to interpret findings obtained with the specific dimension.

Gender Egalitarianism is conceptualised and measured as two components in Project-GLOBE. Firstly, as values, beliefs, and attitudes held by members of a society regarding gender stereotypes and gender-role ideology, and secondly, as behavioural manifestations like gender discrimination and gender equality. High gender egalitarian cultures are inclined to have more women in positions of authority, while women have a greater role in community decision making. They also have a higher percentage of women participating in a labour force where there is less occupational gender segregation. It follows that these societies have higher female literacy rates with similar levels of education between males and females. Low gender egalitarian societies have fewer women in authority positions. Women have a lower status in these societies and have no role or a smaller role in community decision making. There is a lower percentage of women participating in a labour force where occupational gender segregation is evident. Furthermore, low gender egalitarian societies have lower female literacy rates and a lower level of education of females relative to males (Emrich et al., 2004).

Assertiveness

"Broadly speaking, cultural assertiveness reflects beliefs as to whether people are or should be encouraged to be assertive, aggressive, and tough, or nonassertive, nonaggressive, and tender in social relationships" (den Hartog, 2004, p. 395). From this it follows that high assertiveness cultures value assertive, dominant, and tough behaviour for everyone in the society — stressing equity and performance. This is different to Hofstede's (1980a) Masculinity versus Femininity dimension, where men are supposed to be assertive and tough in masculine societies, while women are expected to be tender. Social gender roles overlap in feminine societies. High assertiveness societies value and encourage competition, success and progress. They appreciate direct and explicit communication and members are encouraged to express and reveal their thoughts and feelings. Members try to have control over the environment and results are emphasised over relationships. They attach importance to taking initiative and require challenging targets (den Hartog, 2004).

In contrast, members of low assertiveness societies appreciate modesty and tenderness, and find assertiveness socially unacceptable. They value cooperation, have sympathy for the weak and encourage warm relationships between people, emphasising equality, cohesion and quality of life. Due to this, they prefer to communicate indirectly and emphasise "face saving". In contrast with members of high assertiveness societies, members of low assertiveness societies value harmony with the environment more than controlling the environment (den Hartog, 2004).

According to den Hartog (2004), a high assertiveness organisation encourages the need to make quick decisions and to take the risk of these decisions. There is strong internal competition, while risk-taking individualists, who strive to become the best, are rewarded. Hofstede (1980a) stated that the focus in these organisations is on the aggressive pursuit of market growth, earnings and on career advancement. Booysen (1999) added that these organisations are often characterised by strong-willed and determined management practices.

Low assertiveness organisations are characterised by the typical "nurturance aspects", such as relationships with the manager and other team members, cooperation and participative behaviour, stimulating atmosphere, power sharing, empowerment and collaborative team work (Booysen, 1999; Hofstede, 1980a).

Long Term (Future) versus Short Term (Present) Orientation

Bond (Chinese Culture Connection, 1987; Hofstede & Bond, 1988) extended Hofstede's research by identifying a fifth value dimension to the Hofstede set, which he labelled "Confucian work dynamism". Hofstede interpreted this dimension as a dynamic orientation towards the future and a more static orientation towards the past and present. He renamed this dimension Long-term versus Short-term Orientation (Hofstede, 1990, 1991, 1994a, 1998; Smith & Schwartz, 1997).

A long-term orientation includes values like thrift (being sparing with resources), perseverance towards slow results, a willingness to subordinate oneself for a purpose, large savings quota with funds available for investment, and having a sense of shame. A short-term orientation includes values like fulfilling social expectations, small savings quota with little money for investment, quick results expected, personal steadiness and stability, and protecting "face". The values on the one pole, perseverance and thrift, are more orientated towards the future, while the values on the opposite pole are more static and refer more to the past and present.

According to Ashkanasy, Gupta, Mayfield, and Trevor-Roberts (2004), cultures with a low future orientation (or high present orientation) show the ability to be spontaneous and to live in the moment. They are often free of past worries or future anxieties, but do not always realise that their current behaviour may influence the realisation of their future goals. Furthermore, these cultures have lower levels of economic success and have a tendency to spend rather than to save for the future. Individuals of high present orientation cultures are often less intrinsically motivated, and value instant gratification, emphasising immediate rewards.

In contrast, cultures with high future orientation show the capability to formulate future contingencies, define and purposefully attempt to achieve future goals, and develop strategies for meeting their future aspirations. However, members of these cultures do not always appreciate situational realities, due to a neglect of their present personal and social relationships. These cultures also seem to achieve economic success and have a propensity to save for the future. Individuals are more intrinsically motivated and appreciate the postponement of gratification, emphasising long-term success (Ashkanasy et al., 2004).

Organisations in societies with a high future orientation have a longer strategic orientation, with a flexible and adaptive leadership. It is likely that these organisations have an organic structure which is capable of dealing with erratic circumstances through a systemic network of relationships. Due to the high future orientation, the emphasis is on visionary leadership that is capable of interpreting patterns in the midst of a chaotic and uncertain future. Low future orientation societies often have inflexible and maladaptive organisations and leadership with mechanistic organisational structures with the aim of protecting the organisation from any unforeseen events, changes and uncertainties. These organisations emphasise more transactional leadership practices that focuses on repetitive and routine tasks (Ashkanasy et al., 2004).

As mentioned before, Project-GLOBE (den Hartog et al., 1999; House et al., 1997; House et al., 1999) expanded Hofstede's (1980a, 1991) cultural value dimensions by identifying the following two cultural value dimensions:

Humane Orientation

This value refers to the degree to which individuals in organisations or societies encourage and reward other individuals for being fair, altruistic, friendly and caring.

At the societal level, humane orientation is related to practices, such as the creation and implementation of human rights norms and laws that protect the unfortunate in society, and a

lack of discrimination against minorities. A low humane orientation refers to exploitative behaviour, concentration of wealth in the hands of very few, widespread poverty, discrimination against minorities, distrust, lack of empathy and extreme disciplinary treatment of violators of the law.

According to Kabasakal and Bodur (2004), members of high humane orientation societies view others, like family, friends, and even strangers, as important and subscribe to values of altruism, benevolence, kindness and generosity. As such, members of the close circle receive material, financial, and social support, but concern extends to all people. Members of these societies have a strong need for belonging and affiliation, and they are also held responsible for promoting the well-being of others — the state is seldom actively involved. People are encouraged to provide social support for each other, and children are often expected to provide material support for their parents in their old age.

In low humane orientation societies, self-interest is very important and members subscribe to values of pleasure, comfort and self-enjoyment, while power and material possessions motivate people. There is predominance of self-enhancement and as a result, a lack of support for others. The state is expected to guarantee social and economic protection of individuals, while individuals are expected to solve personal problems on their own. Children in these societies are not expected to support their parents in their old age (Kabasakal & Bodur, 2004).

At the organisational level, humane orientation reflects healthy working conditions, respect and concern for employees, while low humane orientation is indicative of exploitative behaviour, neglect of employee welfare, and viewing employees merely as machines doing the work rather than human beings (Booysen, 1999).

High Performance versus Low Performance Orientation

This value dimension refers to the extent to which an organisation or society encourages and rewards members for performance improvement, innovation and excellence. In highly individualistic societies, performance orientation manifests on the individual level, whereas in

collectivistic societies it manifests at the group level. As mentioned earlier in this chapter, the cross-cultural study of Hofstede (1980a) did not identify this dimension directly, but his masculinity/femininity dimension incorporates attributes such as challenge, advancement, importance of performance at school, and job recognition (Javidan, 2004).

Javidan (2004, p. 243) stated that this dimension “is an internally consistent set of practices and values that have an impact on the way a society defines success in adapting to external challenges, and the way the society manages interrelationships among its people.” High performance orientation societies value training and development and tend to emphasise results more than people, while valuing assertiveness, competitiveness and materialism. Furthermore, the focus is on rewarding individual achievement and organisational performance appraisal systems emphasise achieving results. As a result, these societies tend to value what the individual does more than who the individual is. They value a sense of urgency in everything they do and seem to view time as a limited, sequential and linear commodity.

Low performance orientation societies value societal and family relationships, while emphasising loyalty and belongingness. They respect quality of life, regard being motivated by money as unsuitable, and view merit pay as potentially detrimental to harmony within the group. Hence, these societies have organisation performance systems that accentuate integrity and loyalty. They view feedback and performance appraisal as judgemental, and assertiveness as socially undesirable. Consequently, these societies value who the individual is more than what the individual does. Since they tend to view time as a circular and continual commodity, they often have a low sense of urgency — time is to be savoured and not rushed (Booysen, 1999; Javidan, 2004).

According to House et al. (1999, p. 186), the above-mentioned cultural value dimensions do not only reflect the dimensions of Hofstede’s value belief theory, but also McClelland’s (1987) theories of national economic development and human motivation. The humane orientation, power distance, and performance orientation dimensions are theoretically similar to the affiliative, power and achievement motives in McClelland’s Implicit Motivation Theory.

DIFFERENCES BETWEEN NATIONAL AND ORGANISATIONAL CULTURES

The use of the term “culture” for both nations and organisations implies that the two kinds of cultures are similar, which is not accurate. National cultures differ mainly in the values that are acquired in early childhood by the majority of their members. Organisational cultures are more superficial, consisting mainly of the visible practices of the organisation that are acquired during socialisation processes of new employees. Since employee values have been internalised in the family of origin, the school and the broader community, the organisation can only influence employees’ values to a limited extent. Hofstede (1991, 1993, 1994a, 1999) pointed out that culture is composed of four elements, namely symbols, heroes, rituals, and values — and that the difference between national and organisational cultures is due to the different roles played in each by these four manifestations of culture (Figure 1).

Symbols are words, objects, gestures and pictures that have a specific meaning only recognised by members of the specific national or organisational culture. At the level of national culture, symbols include language and at the level of organisational culture, that of slang, acronyms, status symbols and dress codes. New symbols are relatively easily developed and old ones disappear, while symbols from one group are regularly copied by another group. According to Hofstede (1991), this is the reason why symbols have been placed in the outer, most superficial layer of Figure 1.

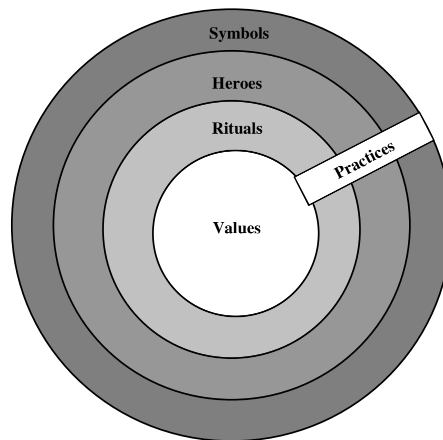

Figure 1 Manifestations of Culture (Hofstede, 1991, p. 9)

Heroes are people who serve as models for behaviour within a culture. Hofstede (1991) mentioned that these people can be dead or alive, real or even imaginary in a specific culture. Recruitment and selection processes in organisations are often based on hero models of the ideal employee, with organisational founders becoming heroes later in the history of their organisations.

Rituals are collective activities which are considered socially essential within a given culture. Societal rituals include ways of greeting and social and religious ceremonies. Organisational rituals include how and when organisations conduct meetings, ways of communicating, informal activities, like who can be late for what activity, and so forth (Hofstede, 1994a).

Hofstede (1991) considered heroes, rituals, and symbols as practices. Practices are observable by members of other cultures or organisations (out-group members), but the deeper, cultural meaning of these practices are not visible to out-group members. The cultural meaning of these practices can only be interpreted by in-group members.

The core of any culture consists of *values*. As mentioned earlier, values are "broad feelings, often unconscious and not open to discussion, about what is good and what is bad, clean or dirty, beautiful or ugly, rational or irrational, normal or abnormal, natural or paradoxical, decent or indecent" (Hofstede, 1994a, p. 13). As such, values cannot be observed by out-group members, they can only be inferred from the way people behave under various circumstances.

Hofstede (1991) compared employees of various organisations within the same national cultures and the results showed considerable differences in practices, while differences in their values were much smaller.

At the national level, cultural differences exist predominantly in values and less in practices (as can be seen in Figure 2). At the organisational level, cultural differences exist mainly in

practices and less in values. Hofstede (1991) incorporated an occupational level where individuals will have to acquire both values and practices when entering an occupational field.

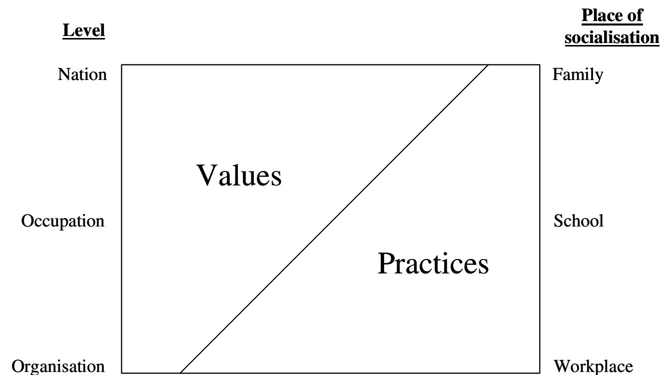

Figure 2 The Nature of Cultural Differences (Hofstede, 1991, p. 182).

The differences between the values-practices balance is explained by the place of socialisation on the right of Figure 2. Values are acquired during early youth, mainly in the family of origin or later at school. Organisational practices are internalised during socialisation processes at the workplace.

Hofstede pointed out that descriptions of organisational cultures often reflect the values of the founder-leaders of organisations only. He acknowledged that the values of founder-leaders shaped organisational culture, but through the process of shared practices. “Founders-leaders’ values become members’ practices” (1991, p. 183).

CULTURAL CHANGE

Societies and people change continuously. Globally, loss of traditions coexists with support for their preservation, re-establishment and even the invention of new traditions. Due to globalisation and ever-increasing technological developments in communication, cross-border commerce, and other forms of cross-cultural interaction, societies are more exposed to influences from other societies than ever before. This is impacting on social dynamics and creating cultural challenges that may result in changes in any of the cultural dimensions. In

recent years, a major focus in cross-cultural psychology also emerged which views cultures as changing contexts due to the increased contact with other cultures, but also because of their own internal dynamics (Berry, 1997a; Berry & Sam, 1997; Hofstede & Soeters, 2002; House et al., 1999).

Despite these ever-increasing changes and exposure to the cultural values of other societies, Hofstede (1980a, 1984) and Hofstede and Soeters (2002) were convinced that values, and therefore culture, in the sense of collective mental programming, change very slowly. This is because the collective mental programming is shared by the majority of people in a society, and it has become crystallised in the institutions of the society such as in families, in educational structures, in religious organisations, in the form of government, in work organisations, and in science (Hofstede, 1980b). Although there seem to be changes in the scores of the measurements of the cultural value dimensions over time, they are still very unique to specific cultures and the differences between cultures remain remarkably stable. Hofstede and Soeters referred to the Japanese society as an example, "So we expect Japanese society to become somewhat more like Western societies in terms of Individualism, but at the same time to remain as 'strange' to foreigners as it has always been before" (2002, p. 13).

The sub-cultural groups in plural societies are often not numerically, economically, or politically equal in power (Berry, 1997b). South Africa is such a culturally plural society, and the different sub-cultural groups with their distinctive cultural value dimensions are significantly interacting with each other on a daily basis, especially in the work environment. This raises a practical question: What happens to the cultural values of the various sub-cultural groups that have developed in specific and often exclusive cultural contexts when individuals of these sub-cultures interact and attempt to live and work together in the culturally plural South African context?

According to Berry (1997b) and Berry and Sam (1997), many theoretical perspectives have been developed during the study of cultural transitions. Some common meanings are, nonetheless, widely shared and refer to the concepts of acculturation and acculturation strategies.

Acculturation

Acculturation refers to those phenomena that result when members from culturally diverse groups come into constant personal contact with ensuing changes in the original culture patterns of either or both groups (Berry, 1997b; Berry & Sam, 1997).

It is also crucial to distinguish between collective or group-level acculturation and individual level acculturation. During collective acculturation, there is a change in the culture of the group, and during individual level acculturation there is a change in the psychology of the individual. Group-level acculturation can range from relatively superficial or behavioural changes, to more deep-seated psychological changes. The behavioural changes relate to cultural learning and the adoption of the observable or external aspects of the other culture(s), which could include language, fashion, social skills, and more. This can also refer to the so-called symbols and rituals as depicted in Figure 1. Subsequently, there is the deeper individual or psychological acculturation that relates to more complex processes where the norms, values, ideologies, beliefs, and attitudes of the other culture(s) are internalised (Berry, 1997b; Berry & Sam, 1997).

The distinction between collective and individual acculturation is important in examining the systematic relationships between the two sets of variables, and because not all individuals participate equally in the acculturation process experienced by their group. "While the general changes may be profound in the group, individuals are known to vary greatly in the degree to which they participate in these community changes" (Berry, 1997b, p. 7). Marino, Stuart and Minas (2000) also mentioned that the level of acculturation may fluctuate according to individual and group needs, as well as opportunities for integration of other culture's values.

An explanation offered by Berry (1997b) is that new knowledge and roles could be acquired quickly without affecting individual values, resulting in group members being highly acculturated in one aspect of life (knowledge and practices) and not in others (values and beliefs). The variation between individual members could also be as a result of the salient sphere or domain. In private domains, like the home or extended family, cultural maintenance

may be preferred, compared to public domains, like the work place where there is often more inter-group contact.

Shriberg, Shriberg and Lloyd (2002) described a metaphor that can be useful to understand the above-mentioned process of acculturation. They compared culture with the metaphor of an iceberg, where only a small portion of the huge iceberg is in sight. The visible part refers to the external or explicit aspects of the culture, for example architecture, dress, transportation, food, knowledge and practices, and it is often these aspects that are acquired relatively easily during acculturation. The invisible part of the culture iceberg refers to the internal or implicit aspects of culture like attitudes, assumptions, beliefs and values, and these are not easily acquired during inter-cultural contact.

Acculturation Strategies

Berry (1997b), Berry and Sam (1997), and Triandis (1995a) wrote that individual members of cultural groups in plural societies must deal with the issues on how to acculturate. These issues refer to cultural maintenance versus contact and participation. The former signifies how important cultural identity and characteristics are to individual group members and to what extent it should be maintained, while the latter refers to what extent individuals should remain primarily in their own cultural group or become involved in other cultural groups. When these two issues are considered simultaneously, four acculturation strategies emerge (see Figure 3).

Integration entails that each group maintains its culture, while maintaining contact with the other culture. This allows for some degree of cultural integrity to be maintained. Assimilation occurs when individual group members do not maintain their own culture, but seek daily interaction with the other culture. This strategy is sometimes referred to as the notion of the “melting pot”. When the group chooses to maintain its culture whilst avoiding interaction with the other groups, separation occurs. Marginalisation occurs when there is neither interest in maintaining cultural identity (often due to compulsory cultural loss), nor contact with the other culture (often due to exclusion or discrimination) (Berry, 1997b; Berry & Sam, 1997; Triandis, 1995a).

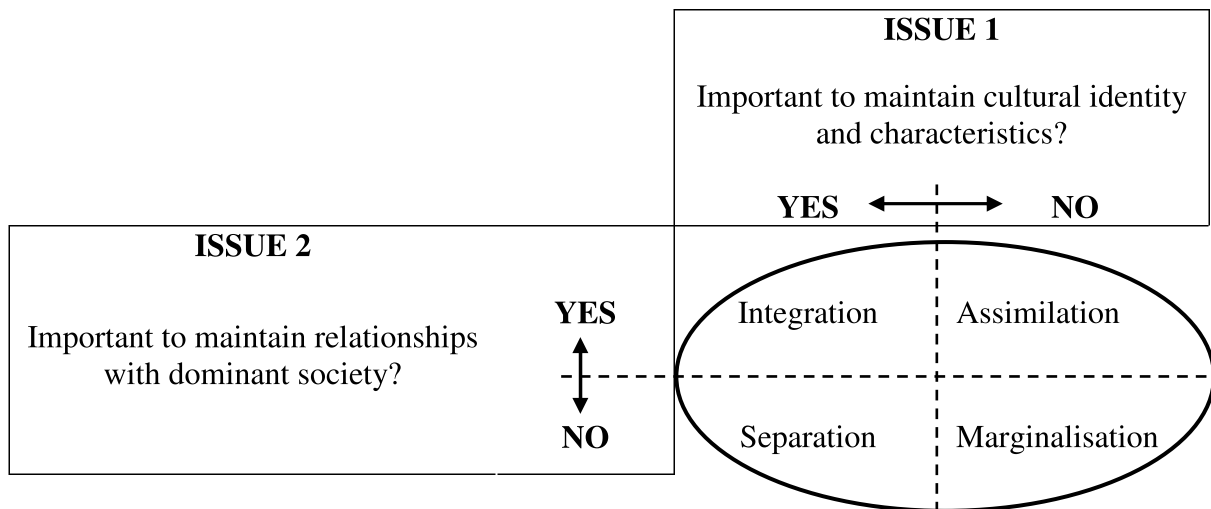

Figure 3 Acculturation Strategies (Berry & Sam, 1997, p. 296).

Core and Peripheral Cultural Values

Blignault (2002) distinguished between core and peripheral family ecological values and the role of family members in the transfer of these values in a group of young adult South African females. *Core values* related to the basic relationships of the individual, namely relationship with the self, relationship with others, and the meta-physical relationship with God. Aesthetic, recreational, political, national, cultural, authority, and environmental values where identified as *peripheral values*. Considering Blignault's (2002) identification of core values, the question can be asked whether certain cultural values could be identified as core cultural values. Furthermore, do these cultural values change during the process of acculturation discussed earlier, and if so, do certain cultural values (labelled peripheral values) change before others (core values)?

Hofstede (1980a, 1991) determined cultural values by aggregating the values of individual members within the specific cultures. Individual scores are a product both of a shared culture and of unique personal experiences. This results in individual variation in value scores due to the unique personalities of different individuals. The average scores reflect the central drive of their shared enculturation and point to the fundamental, collective cultural values (Bond,

1997). Hofstede (1980b) also emphasised that culture is not a characteristic of individuals, but that it consists of a number of people who were conditioned by comparable life experiences.

Numerous authors (Bond, 1997; Dorfman & Howell, 1988; Ferdman, 1995; Hofstede, 1980a, 1980b, 1991; House & Hanges, 2004; Schwartz, 1999) cautioned against the ecological fallacy when interpreting cultural values — assuming that something that is true at the group level is true for every individual of that group. The cultural values refer to the common elements or norms within each society, and not to individual values. It was mentioned earlier that the individual level equivalent of individualism/collectivism is the definition of the self as interdependent in collectivism but independent in individualism. Considering the ecological fallacy, this cannot be interpreted to mean that individuals high on collectivism will display an interdependent self, while those high on individualism will display an independent self.

Although cultural values are focussed on the group level, they consist of the values expressed and enacted by individuals. As noted earlier, Hofstede (1980a, 1991) determined cultural values by calculating the average scores of the individual group members. According to Berry and Sam, this gives an indication of "the central thrust of their shared enculturation, independent of individual differences due to unique experiences or heredity" (1997, p. 95). Ferdman asked the following question: "Is the group's culture in the mind of each member, or is it an abstract notion at the collective level?" (1995, p. 42). He concluded that the group culture exists in the mind of each individual as that individual's theory of the code that other group members are following. This code may be unconscious, but it is used to construe events and also shape decisions about how to behave.

One should keep in mind that it is individuals from different cultural groups interacting with each other during intercultural contact. Whereas the different South African sub-cultural groups lived very separate lives during the Apartheid era (pre-1994), individuals of the various groups are now spending more time interacting with each other than before. Çileli (2000) pointed out that values are generally more stable in stationary than in changing societies. Given the changing South African socio-political, legal, and economic contexts, it is likely that cultural values of the four South African sub-cultural groups may change as

individuals are exposed to the norms, values, ideologies, beliefs and attitudes of the other South African sub-culture groups.

Hofstede (1980a, 1980b) focused on the change of the Individualism/Collectivism dimension of various societies. "These show a consistent increase in individualism, which can be proven to follow, rather than precede, the increase in wealth in the countries concerned" (Hofstede, 1980b, p. 395). A society's degree of economic evolution or development, globalisation, and Westernisation is a major determinant of societal norms.

Of all the cultural value dimensions, the individualism/collectivism dimension relates most closely to a country's level of economic development (Hofstede, 1980a, 1980b). As the level of economic development increases, more women are found in the labour force, the average marrital age increases, people become more dissatisfied with their current living conditions, and materialism escalates. Despite the shift to greater individualism due to economic development, this does not seem to impact on any of the other value dimensions (Hofstede & Bond, 1988; Hofstede & Soeters, 2002).

It would thus seem that changes in the individualism/collectivism dimension are linked to the increase in wealth. As more individuals from the various sub-culture groups in South Africa are sharing in the country's wealth and resources that were previously not accessible to all sub-culture groups, it is likely that this value dimension will not be too difficult to change. However, the extent and priority of change in the other cultural value dimensions need to be determined.

SOCIAL CONSTRUCTIONISM

The cultural value dimensions discussed in this chapter could be interpreted as social constructions. Gergen (1985, 1997, 1999, 2001) is seen as one of the best-known spokespersons of social constructionism (Liebrucks, 2001; Maze, 2001). Gergen maintained that social constructionism is "principally concerned with explicating the process by which people come to describe, explain, or otherwise account for the world (including themselves)

in which they live" (1985, p. 266). He pointed out that the term "constructivism" is also used in referring to the same movement, but that it is also used in reference to Piagetian theory and to a movement in twentieth century art. As such, he proposed the use of the term constructionism to avoid uncertainty. Durrheim (1997) explained that various kinds of constructionism have influenced psychological theory, especially relating to individual constructions. He pointed out that social constructionism, by contrast, accentuates the social, historical and collective aspects of human consciousness. As such, an important concept of social constructionism revolves around finding meaning that moves away from reality as an objective truth.

Social constructionism encourages one to challenge the objective basis of conventional knowledge by suspending commonly accepted understandings of categories such as gender, race, beliefs, sexuality, emotions, and so on. Since the objective criteria for identifying these categories are very much restricted by culture, language, social context or history, the position of social constructionism is that beliefs about reality are created in social interaction. These beliefs about reality are not dependent on social interaction. Instead, social interaction merely plays an important role in the construction of these beliefs about reality. "Reality" does not refer to reality itself, but only to the beliefs we have about reality.

As such, social constructionism is described as a critical and radical approach which "…questions the scientific and non-political nature of psychology, traditional research methods and the very nature of reality itself" (Jarvis, 2000, p. 132). It encourages people to suspend their fixed ideas, which will allow them not only to interpret the world in different ways, but also to investigate multiple realities. It is then that they can consider the possibility that the things they have come to believe as significant and true, might be interpreted differently by someone interpreting it from another perspective.

Social Constructionism and Scientific Knowledge

In the sociology of scientific knowledge, the social constructionist viewpoint emerged from empirical studies of knowledge production in the natural sciences that had mostly been

conducted in laboratories. Forerunners of social constructionism in the natural sciences maintained that facts are not inventions of individual scientists, but outcomes or constructions of the research collective. This did not imply that they believed reality to be constructed by individuals; it focussed on the processes that lead to the acceptance of *discursive constructions,* such as hypotheses, laws, and theories, as valid, or as representations of the facts. In their studies of science, social constructionists found that from the data gathering to data analysis and interpretation, there are no fixed rules during the scientific research process. There is always some level of discretion and room for interpretation. There are standards of scientific research, but they only serve as guidelines that are often interpreted in different ways, depending on the context (Liebrucks, 2001).

Material constructions refer to the viewpoint that scientists design experiments, build scientific measurement apparatus and prepare substances in anticipation of the findings they are expecting to find. If the outcome is not successful, researchers will often change the design, adjust the measuring equipment or replace one substance for another until they find what they were looking for. The guiding principle is not on speculation and elimination, but to keep on trying until the specific theory or hypothesis is confirmed. The scientific research process does not take place in a social vacuum. It is embedded in a society. A major component of scientific knowledge production is dependent on the conceptual and methodological framework of the scientists. Scientists who have been socialised in different ways and whose conceptual backgrounds differ from each other, will often hold completely different perceptions of the specific research questions. The different perceptions and conceptual backgrounds do “not transpose them to different worlds; rather they afford them different perspectives on the one world they are both living in” (Liebrucks, 2001, p. 372).

Social Constructionism and Theoretical Psychology

Whereas natural scientists devoted their attention primarily to the constructions about beliefs and about reality — manipulating material objects to justify these constructions — psychologists concerned themselves with the construction of reality itself, or the construction of persons and their minds. In this context, *discursive constructions* refer to properties of

persons that exist only in the context of a specific discourse, relative to the meaning system of a community which cannot be recognised independently of this context. This statement can be explained by roles. For instance, a person cannot assume the role of, for example, an *iNyanga* (herbalist or traditional medicinal healer in Zulu culture) if he or she is not regarded as such by others, or if there is no meaning system providing for such a role.

Furthermore, the question as to what psychological concepts like 'emotion,' 'attitude,' and 'values' mean, are seldom raised. These concepts are taken from ordinary language and the outcome of research regarding these psychological concepts should be consistent with the use of the term or concept in everyday conversations and not something completely different that has been developed in a laboratory. Consequently, psychological research should be based on a clear understanding about the meaning of day-by-day psychological concepts. Unfortunately, our understanding of how these concepts are used is implicit and the role of social constructionism is often to make knowledge regarding these psychological concepts explicit. It is when researchers interpret these concepts as constructions within a particular history, culture and social relationships that they can consider various possibilities and alternatives (Gergen, 1999; Liebrucks, 2001).

Material constructions are seen as the properties of persons that are created by discourses but which are still identifiable at the level of behaviour patterns. Gergen (1999) pointed out that relationships and the influence of historical and cultural tradition are significant in creating meaning during this process. An example is provided by certain skills. The *iNyanga* could not have learned how to heal someone if he or she had not been instructed by someone else during the educational process. His or her performance during consultations with patients can be described on the level of behaviour patterns. However, it is not possible to understand the origin of the behaviour without understanding the content or background of the instruction or education.

To be seen as a proper member of a community, members must be able to act appropriately in a given situation by conforming to the rules of that community. These rules are often in conflict with one another. Although they provide for some flexibility from time to time, new

rules have to be created or old rules adapted to be applied in new situations. Liebrucks affirmed that social constructionists "…do not deny that human conduct has its natural foundations in human ethology" (2001, p. 380) when they refer to the importance of rules and conventions in our daily psychological functioning.

When we are born, our psychological functioning is not much further developed than that of the higher primates. We do, however, have the ability to transform psychological functions, like thinking, memory and attention, to a higher level by our ability to acquire new information through the tool of symbolic means. As we grow up, others will direct our attention by language and gestures — either by pointing out certain things, trying to change our perspectives, ordering and shaping our actions, encouraging or restraining us, evaluating our behaviour, and setting goals — and gradually we become persons in the full sense of the word (Liebrucks, 2001). During this process, our world-view (our sense of how things work, what is valuable, why things are the way they are), sense of self, our identity and purpose, and ideologies are constructed. This corresponds with the view held by Gergen that "…the process of understanding is not automatically driven by the forces of nature, but is the result of an active, cooperative enterprise of persons in relationship" (1985, p. 267).

Construction of Social Categories

Social constructionists maintain that the beliefs about reality, which are constructed in social interaction, are important in the construction of institutions and persons. Not only do social processes or interactions play an important role in the formation of beliefs about reality, but in a "dialectical way our beliefs also affect social processes via our discourses and actions" (Liebrucks, 2001, p. 365). Jarvis (2000) and Edley (2001) explained that people can only interpret the world as it is represented in their culture and language. Language is, therefore, very important in social constructionism, because the language we use to describe something, affects our perception and interpretation of it. As such, discourses can give rise to forms of social life, such as gender, race, social class, and national identity.

The insight that people can only interpret the world as it is represented in their culture and language, played a significant role in the Value-Belief Theory of Hofstede (1980a, 1991). Hofstede interpreted the responses of more than 100,000 employees of an organisation represented in more than 40 countries to derive four dimensions from a factor analysis of culture averages. This four-factor map enabled cross-cultural psychologists to build a theoretical structure for explaining cross-cultural differences in behaviour. The Chinese Culture Connection (1987, p. 144), however, pointed out that these "…dimensions of cultural variation…may themselves be culture bound", due to the fact that social science, researchers and instrumentation involved were Western in origin. Hofstede (1990) acknowledged that the questionnaire that had been used was composed by Western minds and that it took an instrument developed by Asian minds to find a fifth dimension of national culture differences.

On the word of Rodkin (1993), constructionists do not agree with the generally held belief that categories like race, ethnicity or gender consist of intrinsic traits. These ascribed traits are created collectively and majorities are often accused of constructing minority definitions in order to maintain majority domination. Constructionists view these categorisations as social constructions that are defined by society, and in their view society is defined by power. A similarity between people is their tendency to build stereotypes of others solely based on their perceptions of prominent differences, for example, between "femaleness" and "maleness" or "blackness" and "whiteness".

Even though people often make these stereotypical judgements of so called out-group members, or dissimilar others, without being consciously aware of it, it is clear that people categorise. A reason given for this is that people need to reduce the huge amount of information they are being bombarded with on a daily basis, into manageable units, or schemas. Despite obvious evidence for the existence of individual differences among out-group members, people still find it meaningful to construct mental categories, although they are not static. Categorisation is a universal and involuntary aspect of human nature over which people only have some control (Rodkin, 1993).

Implications of Social Constructionism

When reading books and articles on social constructionism, one cannot but agree with Jarvis, "This is complex stuff..." (2000, p. 132). In discussing the idea of dividing the construct into ontological and epistemic senses of social constructionism, Edley wrote that the "conflation" and "confusion" of concepts within social constructionism has "fuelled countless academic arguments" which have "often been exploited for rhetorical effect" (2001, p. 439). However, many social constructionists do not see language as the only reality. Most understand that descriptions and explanations are seldom neutral or value-free due to a specific context, and most also agree that discourses can give rise to forms of social life, such as gender, race, and sexual orientation.

Gergen, Gulerce, Lock, and Misra asked the question, "To what degree and with what effects is psychological science itself a cultural manifestation?" (1996, p. 497). These authors emphasised that cultural manifestations are interpreted by researchers within their individually lived cultural experiences. As such, the science is based on the assumptions of psychological functioning of the individual researchers. Considering this, as well as Liebruck's (2001) viewpoint of discursive and material constructions and their role in the scientific knowledge and theoretical psychology research process, it seems appropriate to analyse and interpret findings of the results of the present study as supportive of constructionist thought. It must be emphasised that this interpretation will, however, be more moderate than that of constructionists like Gergen (1985).

CONCLUDING REMARKS

This chapter discussed the importance of values in order to distinguish between cultures and sub-cultures when investigating individual and cultural changes in the dynamic social context of the world we live in. Values form the core of culture. On the individual level, values represents the motivational goals that serve as guiding principles in the lives of individuals, and on the culture-level they refer to the socially shared ideas about what is good or desirable in a society or culture group. The five bi-polar value dimensions identified by Hofstede

(1980a) and Hofstede and Bond (1988), as well as the two cultural value dimensions identified by Project-GLOBE (House et al., 1999) were discussed in detail, after which differences between national and organisational cultures were highlighted.

Considering the discussions regarding cultural change and acculturation, it became evident that societies, cultures, and individuals change continuously as a result of globalisation, cross-border commerce, technological developments in communication and other forms of cross-cultural interaction. Hofstede (1984) expressed the opinion that values change very slowly, but it was argued that changes in the cultural values of the South African sub-culture groups could be a reality, due to the uniquely South African context where different sub-cultural groups with their distinctive cultural value dimensions are meaningfully interacting with each other on a daily basis. The possibility of certain cultural values (peripheral values) changing before others (core values) was also examined.

This chapter also explored the theory of social constructionism in relation to cultural value dimensions. This theory challenges the objective basis of conventional knowledge by suspending commonly accepted understandings of categories such as gender, race, sexual orientation, and so forth. Culture and cultural values are social constructs that are learned through social interaction, and as such, people often interpret the world as it is represented in their culture and language. Constructionists reject the idea that such categories consist of intrinsic traits due to the obvious evidence of individual differences among members belonging to the same categories. Being aware of the fact that statistically significant differences between various categories or groups can entrench certain beliefs that are not necessarily true on individual level or are not practically significant, a decision was made to interpret findings and results of the present study mindful of constructionist thought.

The concept of leadership in general, and transformational and transactional leadership in particular, will be presented in Chapter 3. This chapter will also explore the concepts of new economy leadership and female leadership.

CHAPTER 3
THEORIES OF LEADERSHIP

INTRODUCTION

Leadership is often regarded as one of the world's oldest preoccupations (Bass, 1990a). The term "leadership" is a comparatively new addition to the English language. It appeared for the first time approximately 200 years ago in documents of the British Parliament. However, studies of Egyptian hieroglyphics show that symbols for "leader" can be traced back as far as 5000 years ago (Dorfman, 1996). In about 400 B.C., the Greek poet Euripides wrote that "Ten good soldiers wisely led, will beat a hundred without a head." This suggests that the notion that success depends on the quality of leadership is hardly novel.

Despite the vast body of leadership literature generated over centuries, there is no consensually agreed upon definition of leadership (Bass, 1990a; Dorfman, 1996). According to Bass (1990a), the definitions of leadership can be classified as the focus of group processes, as a matter of personality, inducing compliance, as a form of persuasion, as a power relation, as an instrument to achieve goals, as initiation of structure, and as many combinations of the above. Dorfman (1996) stated that most definitions of leadership include a core concept of influence, since leaders influence followers, thus resulting in the incremental influence over and above what is prescribed in the work unit. Burns (2003) stated that leadership is not only a descriptive term but a prescriptive one, and that people do not call for *good* leadership, they expect it to be good. He emphasised that *bad* leadership implied *no* leadership.

Added to this is the general belief that organisational leaders in the twenty-first century will be confronted by a number of significant changes that will impose substantial new role demands. These changes refer specifically to greater diversity in workforces, the faster pace of environmental and technological changes, more geopolitical changes affecting borders and distribution of power among different nations, and increased international competition due to globalisation (House, 1995). Ostermann (2001) elaborated on this by stating that traditional leadership requisites, such as strategic vision, operational know-how, and communication

skills, are joined by abilities such as an understanding of emerging technology, creativity, and the ability to create and manage alliances. He also noted that successful leaders in the new economy will be those who understand what makes it new, while also being aware that it was not created in a vacuum. Adler (1999) expanded on the thoughts about leadership by adding that female leaders will play a significant role in the new global economy. She argued that global leadership in the twenty-first century is not just an extension of domestic leadership, but is based on the interaction of people and ideas among different cultures. As such, leadership qualities often labelled as feminine, meet many of the demands of leadership in the new global economy.

This chapter focuses on leadership and management by presenting a brief overview of existing leadership theories, with an emphasis on the transactional versus transformational theory as expanded by Bass and Avolio (Avolio, Bass & Jung, 1999; Bass, 1985, 1997; Bass & Avolio, 1994; Bass & Steidlmeier, 1999). The concept of new economy leadership is also explored, after which the role of female leaders in the new global economy will be discussed.

LEADERSHIP, MANAGEMENT, AND SUPERVISION

The debate of leadership versus management has been a perennial debate in the literature. This discussion will, however, not attempt to present a comprehensive review of the entire content area. Discussions can be found in the management versus leadership chapter of Bass and Stogdill's Handbook of Leadership (Bass, 1990a), and several management textbooks and articles (see Daft, 1999, 2002; Kotter, 1993, 1996a, 1996b, 1998a, 1998b, 1998c).

According to House, management is defined "as behavior of a person in a position of formal authority that results in compliance of organizational members with their normal role or position requirements" (1995, p. 413). He defined supervision as "behavior intended to provide guidance, support and corrective feedback for the day-to-day activities of work unit members" (House, 1995, p. 413). Leadership is conceptualised as "behavior of individuals that gives purpose, meaning, and guidance to collectivities by articulating a collective vision that appeals to ideological values, motives and self-perceptions of followers" (House, 1995, p.

413). Leadership will result in the influence of values in the organisation, high levels of effort on the part of followers beyond what is expected of them, and willingness to make personal sacrifices in the interest of a collective vision. According to Adair (2005), the concept of leadership can be explored by asking questions pertaining to three approaches. The first relates to a quality approach that asks what a leader should be. The second relates to a situational approach that focuses on what a leader needs to know. The last relates to a group or functional analysis approach that asks what a leader has to do to be effective.

These definitions seem to be in line with the generally held beliefs that management has to do with planning, organising, directing and controlling, while leadership has to do with inspiring, influencing and motivating. Daft (1999, 2002) is of the opinion that although management compliments the old paradigm that emphasises stability and control, and leadership compliments the new paradigm that focuses on changing values, empowerment, and relationships, the two roles can go hand in hand.

Management focuses on controlling complexity, while leadership focuses on creating change by creating and communicating a gripping vision to followers. Leadership is not conceived as better or a replacement for management, rather leadership and management are seen as two distinctive and complementary systems of action. Both roles are needed in an organisation. Some people have the capacity to become good leaders, but not strong managers, while others have great managerial potential but struggle to become great leaders. “Smart companies value both kinds of people and work hard to make them a part of the team” (Kotter, 1996b, p. 620). Adair (2005) cautioned against this dichotomy between leaders and managers. He contended that leadership occurs at the team level, the operational level and the strategic level.

TRENDS IN LEADERSHIP RESEARCH

Dorfman (1996) claimed that leadership is often depicted as having passed through three eras, namely the trait, behaviour, and contingency eras. Each era is distinguished by a dominant research strategy and focus of interest. Van Seters and Field (1990) described nine phases of leadership development. Historical overviews can, however, imply that the research has

evolved in a linear and coherent way through these phases, which was not the case. The field of leadership is often in a state of tumult and perplexity with multiple focuses occurring simultaneously. This discussion should, however, be seen as a simplified introduction to the trends in leadership research.

The *personality era* can be sub-divided in two periods, namely the "great man period" and the "trait period". According to Kirkpatrick and Locke (1996), few issues had a more controversial history than the so-called "great man" leadership theories that were popular in the nineteenth and early twentieth centuries. These theories contended that leadership traits are inherited — with the well-known belief that great leaders were born, not made. Research results showed a weak relationship between personal traits and leader success. Various examples can be found in the literature of leaders with very different personality traits, but all being successful in their specific environment or society (Daft, 1999, 2002). Van Seters and Field (1990) concurred with this opinion by mentioning that the world's most effective political leaders like Ghandi, Mandela, Churchill, Thatcher, and others, display very different personality qualities. The "great man" theories evolved into trait theories during the early 1900s.

Trait theories do not make assumptions about the hereditary quality of leadership traits, but merely asserts that leaders' characteristics are different from non-leaders'. Traits here refer to people's general characteristics, motives, patterns of behaviour, and capacity. Many studies were conducted to identify traits that distinguished leaders from non-leaders and successful leaders from unsuccessful leaders. Earlier studies were not successful in identifying traits that were necessary for leadership success, but recent studies have revealed that some traits are consistently related to leadership emergence, but not to leadership effectiveness.

Traits alone are not sufficient for successful leadership. They are only pre-conditions. Leaders, who possess the necessary traits, must still take certain actions to be successful. These actions include formulating a vision, role modelling, and goal setting. Traits on which leaders differ from non-leaders in Western cultures were identified as drive, leadership motivation, honesty and integrity, self-confidence, cognitive ability, knowledge of the

business, achievement orientation, and a strong drive for responsibility. It is also evident that it is not just traits determining which leaders are successful or not, it also depends on the specific situation and the interaction of traits and the specific situation (Bass, 1990b; Dorfman, 1996; Kirkpatrick & Locke, 1996, Van Seters & Field, 1990).

Implicit leadership theories (ILTs) have received increasing attention in recent years in an attempt to identify the sets of traits people refer to implicitly when they distinguish leaders from non-leaders. ILTs maintain that individuals possess their own implicit theories of leadership that are generated and refined over time, as a result of their experiences with actual leaders or descriptions of leaders. Research on ILTs can, according to Offermann, Kennedy and Wirtz (1994), provide information that will help in the development of explicit theories to understand leadership.

The *influence era* acknowledged that leadership is a process that involves relationships between people, and can therefore not be understood by focussing exclusively on the leader. The "power relations" phase seeks explanations concerning the sources of power and their utilisation. The "persuasion" phase examined leader success by skills of persuasion (Van Seters & Field, 1990).

Dorfman (1996) commented that the behavioural approach to leadership, or the *behavioural era*, started in the early 1950s, partly as a response to the unsatisfactory results of the trait approach to leadership. The aim of the behavioural approach was to identify and measure relevant leadership actions and behavioural patterns that lead to successful leadership outcomes, such as productivity and morale. As a result, the focus changed from what leaders are to what leaders do.

The description of leadership styles as autocratic, democratic and laissez-faire by Lewin and Lippitt (1938) is seen as a forerunner of the behaviour approach. Other examples include the Ohio State Studies (Fleishman, Harris, & Burtt, 1955) that analysed the data of surveys to determine the dimensions of leader behaviour. The analysis resulted in two wide-ranging

categories of leader behaviour types, later called consideration (or concern for individual satisfaction and group cohesion) and initiating structure (or concern for the task).

The Michigan Studies (Likert, 1961) took another approach by directly comparing the behaviour of effective and ineffective supervisors. Effectiveness was determined by die productivity of the subordinate group. Researchers identified two types of leadership behaviour that consist of two dimensions each. An employee-centred leader focuses on the needs of employees, with leader support and interaction facilitation as the two underlying dimensions. Job-centred leaders lead activities that are focussed on efficiency, cost-cutting, and scheduling; the two underlying dimensions are goal emphasis and work facilitation (Daft, 1999, 2002; Van Seters & Field, 1990).

Blake and Mouton's (1964) leadership grid, known as the Managerial Grid, consisted of a two-dimensional leadership theory. According to this grid, a leader's role is two-fold — promoting high morale and commitment to the job among employees, and ensuring that the task is performed efficiently. The grid outlines different leadership styles according to two axes, namely concern for people and concern for production that are derived from the dimensions of consideration and initiating structure identified in the Ohio State Studies (Daft, 1999, 2002, Sadler, 2003).

However, this approach does not incorporate situational factors. Dorfman (1996) argued that just as personal traits may be more or less important depending on the situation, leadership behaviour should also be tailored to suit the situation, the requirement of the task and the characteristics of the employees performing the task.

The *situation era* focused on the context in which leadership is exercised. The "environment period" explored how leaders emerge in the right place at the right time to take the lead, and accomplish the task. In this approach, the person in the leadership position is irrelevant. Should the person leave the position, someone else will take that place. The "social status period" is based on the idea that as individuals complete specific tasks, they reinforce the expectation that each individual will continue to act congruent with previous behaviour. The

leader's and subordinate's roles are thus defined by mutual expectations of their behaviour. The "socio-technical period" combined the environmental and social influences (Van Seters & Field, 1990).

Daft (1999, 2002) pointed out that the *contingency era* considered the fit between a leader's style and the situation the leader faces — the basic principle being that leadership behaviour can be effective in some situations, and ineffective in others. What might work in one organisation, with a specific culture, employees and customers, might not work in a different company with a different culture, employees and customers. This era represented the view that effective leadership is contingent on one or more factors of behaviour, personality, influence, and situation. As such, it is seen as a key development in the advancement of leadership theory. However, most theories falling in this category involve complex models that are difficult to relate to, especially by practicing managers (Dorfman, 1996; Shriberg, Shriberg & Lloyd, 2002; Van Seters & Field, 1990).

Several contingency approaches to leadership exist. Fiedler's (1964) Contingency Model of Leadership, according to Bass (1990a), may be the most widely researched model of leadership. Other models include the Situational Theory of Hersey and Blanchard (1969), the Path-Goal Theory of House and Evans (House, 1971) and the Vroom-Jago (1988) Model of Decision Participation.

The *transactional era* added to the insights gained during the previous era with the view that leadership is not just in the person or the situation, but also in role differentiation and social interaction. Bass's (1985, 1990a, 1990b) work characterised the "exchange period", and emphasised the importance of transactions between leaders and employees, as well as the leader's role in initiating and sustaining interaction. Leaders may also have different relationships with different employees. According to Sadler, "Bass's work is still a respected element in leadership theory" (2003, p. 12).

The "role development period" also included an element of change, but referred specifically to relative roles of leaders and employees. Theories of this period included the Social

Exchange Theory (Hollander, 1979) and the Role-Making Model (Graen & Cashman, 1975). In models of this period, the group expresses esteem and status to the leader in exchange for the leader's skills in goal accomplishment. According to this approach, leadership can sometimes reside in the subordinate rather than in the leader. This was a disturbing revelation and caused researchers to ask the question again, "Where is the domain of leadership?" (Van Seters & Field, 1990, p. 36).

An opinion developed during the *anti-leadership era* that there was possibly no convincing concept called "leadership". This era consisted of two periods, namely the "ambiguity period", which argued that leadership is only a perception in the mind of the observer, and the "substitute period", which evolved out of the situational era. During this period, the focus was to determine how the task, the characteristics of the employees, and the organisation could act as substitutes for leadership in affecting performance (Sadler, 2003; Van Seters & Field, 1990).

The *culture era* proposed that leadership is omnipotent in the culture of the organisation, and for the first time, the focus changed from increasing the quantity of the work, to improving quality. Van Seters and Field also mentioned that this era could be seen as an extension of the leader "substitute period", because of the idea that if a leader can create a strong culture in the organisation, employees will lead themselves (1990).

Due to the focus on intrinsic, rather than extrinsic motivation, the *transformational era* is seen as a dramatic improvement over previous periods. Transformational leadership is essential during organisational transition, in that these leaders create visions of the desired future state, while instilling employee commitment to change. The subdivisions of this era are the "charisma period" and the "self-fulfilling prophesy period".

The theme of the "charisma period" is that leadership must be visionary and transform those who see the vision by giving them a stronger sense of purpose and meaning. Leadership thus becomes a state of consciousness, rather than a personality or set of skills, since it rests not only of the shoulders of the leader, but on all who share in the mission and the vision. This

period included charismatic leadership theory, in which leadership traits, behaviour, influence and situational factors combine to increase employees' willingness to carry out the created vision. Bass and Avolio's Transformational and Transactional theory (Bass, 1985, 1990a, 1990b) is representative of charismatic theories and is discussed in more detail later in chapter.

The key factor of the "self-fulfilling prophesy period" is to build, monitor and reinforce positive expectations. This period also considered that transformation can occur from the leader to the subordinate just as much as from the subordinate to the leader. This leader can therefore be influenced from lower or upper levels in the organisation (Van Seters & Field, 1990).

Van Seters and Field (1990, p. 39) summarised their review by providing researchers with the following five aspects that will assist in the further development of leadership theory:

1. Leadership is a complex process, consisting of behavioural, relational and situational elements;
2. It exists not only in the leader, but also in individual, dyadic, group and organisational relationships;
3. Leadership can stem upwards from lower organisation levels as much as it is initiated downwards from higher levels;
4. Leadership occurs both internally and externally in the situational environment; and
5. It motivates people intrinsically by improving expectations, as well as extrinsically by enhancing reward systems.

Sadler (2003) remarked that the research by Van Seters and Field (1990) is useful to provide a framework into which various approaches and theories can be fitted. However, he agreed with Dorfman (1996) that leadership research is often complex and not as simplistic as it seems. Many leadership approaches cannot be accommodated in the framework provided by Van

Seters and Field (1990), either because it is difficult to fit into one of the categories, or because they are spread over several of them.

TRANSACTIONAL VERSUS TRANSFORMATIONAL LEADERSHIP

The distinction between transactional and transformational leadership was first made by Burns (1978) and expanded by Bass (Bass, 1985; Sadler, 2003). Transactional leaders are described as motivating followers by exchanging rewards with them for services rendered, in that they approach followers with the goal of exchanging one thing for another (Bass, 1985). Transformational leaders are able to move followers upward on Maslow's (1954) hierarchy from the need for safety and security, to work for transcendental goals, and for self-actualising needs, as opposed to focussing on lower level exchange relationships (Bass, 1985, 1995). Burns (1978) also pointed out that the transformational leader engages the full person of the follower in a relationship of mutual stimulation and elevation.

It must, however, be kept in mind that, although the two constructs of transactional and transformational leadership will be discussed separately, most leader profiles include both transactional and transformational attributes. Leaders who are described as transformational, display more of the transformational than transactional behaviour and vice versa. Bass (1985) conceptualised the two types of leadership as separate dimensions and not as two opposites of a continuum. This implies that a leader can be both transactional and transformational. However, transformational leadership builds on transactional leadership, not vice versa (Bass, 1985, 1990, 1995, 1997; Bass & Steidlmeier, 1999; den Hartog, van Muijen & Koopman, 1997).

Transactional Leadership

In the Bass theory, transactional leadership depends on contingent reinforcement, either positive contingent reward, or the more negative active or passive forms of management-by-exception. These leaders motivate their followers by promises, rewards or praise, while they are disciplined by negative feedback, disciplinary actions and accusations; they consult with

followers about what needs to be done in exchange for rewards. They support employees by recognising the roles and tasks required to achieve the expected outcomes, thereby creating the confidence employees need to accomplish their tasks. Transactional leaders are more concerned with effective processes than with substantive ideas. They use their flexibility and innovation by deciding on the suitable use of their power to punish or to reward what they perceive as satisfactory behaviour or processes (Avolio et al., 1999; Bass, 1985, 1997; Bass & Avolio, 1989, 1994, 1997; Bass & Steidlmeier, 1999).

Contingent Reward implies that the leader and subordinate agree on the expected behaviour, and what needs to be done to be rewarded or to avoid punishment. Contingent positive reinforcement occurs when the agreed-upon performance is achieved and contingent aversive reinforcement is the reaction when employees do not reach the agreed-upon performance targets. Contingent reward can either be monetary, such as pay increases, bonuses and promotions, or nonmaterial, such as praise or recommendations for work well done. Contingent punishment may take various forms, from merely calling attention to the non-compliance or deviation from the agreed-upon contract, to suspensions, loss of leader support or dismissal (Bass, 1985; Bass & Avolio, 1997).

When leaders only intervene when something goes wrong, they are practising *management-by-exception.* The general assumption of these leaders is, "If it isn't broken, don't fix it!" Management-by-exception can be distinguished as either an active or a passive transaction. In the active form, the leader continuously monitors the subordinate's performance to anticipate and identify mistakes before they become a problem and takes immediate corrective action when required. The active management-by-exception leader clarifies the standards that he or she is going to use to monitor performance at the onset. In the passive form, the leader intervenes only after mistakes are made or performance standards not met. The leader often waits until the task is completed before determining that a problem exists and only then discusses it with the subordinate. Most often, passive management-by-exception leaders only clarify standards after a mistake has happened (Bass & Avolio, 1997; Howell & Avolio, 1993).

Bass (1985) wrote that leaders often do not utilise contingent positive reinforcement, because they practise management-by-exception and only act when employees are not achieving performance targets. As such, it is much easier to apply only contingent aversive or negative reinforcement, although Bass (1985) and Bass and Avolio (1997) decried the ineffectiveness and negative impact of contingent negative reinforcement on leader-subordinate relationships.

Unintended Consequences of the Transactional Approach

Transactional leadership depends on the positive or negative power of reinforcement. Bass (1985) stated that, although employees' behaviour can be influenced by reinforcement, a variety of unintended consequences might appear if these threats or promises are interpreted as coercive or manipulative.

The reaction to perceived manipulation is often counter-dependent employees, working in opposition to what was intended by the contingent reinforcements. Furthermore, employees may take shortcuts to ensure the anticipated reward for compliance; for example, reaching the required quantitative targets while the quality of the transactions are below standard because they are not monitored. Complicated "piece-rate" contingent reward systems are likely to induce defensive behaviour, withdrawal or hostility. These systems also encourage the typical monthly cycle of "slowdown" and "speed-up" or "storming", especially during the last ten days of the cycle to achieve contracted performance targets. This practice leads to extended hours and weekend work, which necessitate rest and recuperation during the first ten days of the cycle. Consequently, quality suffers severely during this process (Bass, 1985; Bass & Avolio, 1997).

In conclusion, Bass and Avolio (1997) commented that leaders tend to underutilise transactional methods even when appropriate in a particular situation. This is due to ever-changing demands and time pressures, poor appraisal methods, poor application of performance systems, lack of skill or confidence in the leader, discomfort, and an inability to give negative feedback to deal with poor performance of employees. Another reason why transactional leadership often fails is that the leader lacks the necessary authority or resources

to deliver the agreed upon rewards or consequences. In many organisations, policies and procedures dictate pay increases, incentives, promotions, disciplinary action, and promotions about which the leader has little to say (Bass, 1990b).

Transformational Leadership

The transformational paradigm views leadership as the "moving of followers beyond their self-interests for the good of the group, organization, or society" (Bass, 1997, p. 130). Transformational leaders are also successful in creating an awareness and acceptance of the purposes and mission of the organisation with employees. These leaders often concentrate on longer-term goals, developing a vision and motivating employees to follow the vision — they are often seen as agents of change. In addition, transformational behaviour moves the range of leadership beyond focussing only on corrective and constructive actions; they often change or align systems to accommodate their vision, rather than working within existing systems (Bass, 1990b, 1995, 1996a; Howell & Avolio, 1993).

Bass and Avolio conceptualised transformational leadership as consisting of four components, or "the four I's": Idealised Influence (charisma), Inspirational Motivation, Intellectual Stimulation and Individualised Consideration (Avolio et al., 1999; Bass, 1997; Bass & Avolio, 1994, 1997; Bass & Steidlmeier, 1999).

Idealised Influence

Transformational leaders are agents of change and are admired, respected, and trusted by employees to such an extent that they imitate the leader's behaviour. Employees want to identify with these leaders and develop strong feelings about them. Bass (1985, 1990, 1996a) and Bass and Avolio (1989) emphasised the importance for transformational leaders to attain charisma in the eyes of their followers or employees. They motivate and inspire their employees with the idea that they may be able to achieve great things with extra effort.

Bass initially conceptualised "idealised influence" as "charismatic" (Bass, 1985; Bass & Avolio, 1989). However, Bass and Avolio (1997) acknowledged that a charismatic leader

with an "own agenda" is often set up as an idol, but not idealised. They further conceded that leaders with personal charisma often fail to develop employees to lead themselves to the point of resisting the empowerment of employees, because they find it threatening to their own leadership. As such, these leaders fall short of being transformational. Bass and Steidlmeier (1999) referred to these leaders as pseudo-transformational idealised leaders who fantasise about power and success, even at the expense of their followers. These leaders present an image of authenticity, but do not align themselves with the organisation's purposes.

Authentic transformational leaders are willing to inhibit their use of power and achieve higher levels of long-term performance by developing employees, creating higher levels of autonomy and the achievement of each employee's full potential. As such, they are often willing to risk the threat of replacement for the greater gain of seeing autonomous employees contributing to the overall mission and goals. Furthermore, they are highly committed to promote ethical policies and procedures, and codes of ethical conduct that support acceptable standards (Bass & Avolio, 1997; Bass & Steidlmeier, 1999).

Self-concept Based Theory of Motivation

Shamir, House and Arthur (1996) proposed a self-concept based motivational theory to explain the impact of charismatic leaders on their followers. The theory is based on the assumption that humans are not only pragmatic and focused on goals, but also self-expressive. At the same time, behaviour is not just calculative, but also expressive in terms of feelings, values, and self-concepts. People are motivated to enhance and maintain their self-concept, which is based on a sense of competence, achievement and the ability to deal with, and control one's environment. When goals cannot be clearly specified, or accomplishments and rewards are not high, people may be motivated by faith — to have hope in a better future is an essentially rewarding condition.

The assumptions about the motivational implications of the self-concept were instrumental in proposing a theory that suggests that charismatic leaders achieve transformational effects through involving the self-concept of employees. They do this by increasing the intrinsic

value of employees' efforts and the fact that by making the effort, one makes an ethical statement. The value of the effort is also increased by ensuring that participation in the effort becomes an expression of the collective identity. Charismatic leaders also enhance employees' self-concepts by expressing high expectations of employees, while showing confidence that employees will be able to meet these expectations. One of the most important motivational aspects of charismatic leadership is to increase the intrinsic value of goal accomplishment. The expression of a vision and mission to achieve certain goals is brought about by demonstrating how these goals are consistent with the collective past and the future, thereby creating a sense of evolving which is important to create a sense of meaningfulness (Shamir et al., 1996).

Charismatic leaders frequently de-emphasise the importance of extrinsic rewards while accentuating the value of intrinsic rewards for engaging in the effort. Moreover, they are also able to create a sense of unconditional commitment from employees to a common vision, mission, and inspirational goal. According to Shamir et al. (1996), this is achieved when what is expected becomes part of an individual's self-concept, and the action is not simply a means of doing, but a way of being.

Inspirational Motivation

Inspirational leaders are able to inspire employees to achieve more than what they thought was possible (both in terms of performance and their own development), while at the same time providing meaning and challenge to employees' work. They have the ability to articulate and provide visions of what is possible and how employees can achieve them. Bass (1985) stated that leaders do not have to be charismatic to be inspirational. Bass and Avolio (1997) concurred by stating that employees can be inspired by a leader without the need for identification with the leader.

Inspirational leaders display an action orientation to motivate employees to achieve more and do not focus on constraints, privileges, and formalities like the bureaucratic leader. Confidence-building in employees is also seen as an important characteristic of inspirational

leaders. They do not only inspire employees to achieve shared goals, but also say and do things that build employees' confidence in their own abilities to achieve objectives. Along with building confidence, belief in the greater cause is just as important.

People who believe that they are working for the best company, with the best products and resources, are likely to be more dedicated, involved, and prepared to put in an extra effort. Additionally, the "Pygmalion effect" is also relevant. People who believe that they can do well will do better than those who expect to be mediocre, or do not have any expectations about their performance. Employees inadvertently fulfil the "prophesies" of the inspirational leader, who raises employees' expectations about their achievements and stimulates confidence in their own capabilities, and in that of their team members (Bass, 1985).

Pseudo-transformational inspirational leaders often mislead and deceive their followers by, for example, proclaiming that followers are empowered to do their work, while continuing to treat them like dependent children. Even though they portray the image of leaders supporting empowerment of employees, all they want is more control (Bass & Steidlmeier, 1999).

Intellectual Stimulation

Transformational leaders encourage employees to come up with innovative and creative ideas about doing the work, by questioning assumptions and approaching old problems in new ways. Employees are not only encouraged to question their own ideas, assumptions, and practices, but also those of the leader. According to Bass and Avolio (1997), a key measure of the success of a transformational leader is how competent employees function without the leader's presence or direct involvement.

It is imperative to discern between stimulation of employees' action orientation and focus on short-term operations, rather than stimulation of their awareness of problems, problem solving, creativity and innovation, and of beliefs and values. It is obvious that the former does not lead to an increase in an organisation's strategic thinking capacity and transformational ability. This is also the component where there are systematic differences between

transactional and transformational leaders. Transactional leaders are often willing to accept or to maintain the status quo, or pleased with partial solutions. Bass (1985) emphasised that this does not imply that transactional leaders are not intelligent. It is just that their focus is on maintaining the environment and systems for which they are responsible. Transactional leaders often respond reactively to observable deviations and find ways to solve these deviations within the organisational constraints. Conversely, transformational leaders are often more proactive and creative in their thinking, coming up with original ideas, and being less reserved in their pursuit to find new ways of doing things.

Bass (1985) and Bass and Avolio (1997) stressed that intellectual stimulation is something that can be provided distinctly separate form a leader’s charisma, but contended that there is a relationship between the two components. Charismatic leaders not only have the ability to create a vision about ways of dealing with specific problems, but also the talent to understand and communicate this vision to employees.

The intellectual stimulation of pseudo-transformational leaders is often based on false assumptions on how to deal with uncertainty, while preferring authority above reason. They are quite prepared to receive acknowledgement for others’ ideas, but will not hesitate to blame and accuse others for failure. These pseudo-transformational leaders depend on the ignorance of employees when they present them with more discrepancies, which create more opportunities for their self-enhancement (Bass & Steidlmeier, 1999).

Individualised Consideration

Another aspect of transformational leadership involves paying special attention to each individual’s need for achievement, and acting as mentor and coach to employees to maximise and develop their full potential. As such, transformational leaders often encourage organisational cultures supportive of individual growth. Bass (1985) and Bass and Avolio (1997) explained that a transformational leader not only sets examples, but also assigns tasks on an individual basis. According to den Hartog et al. (1997), this component is similar to the Ohio State Study’s “consideration” category discussed earlier in the chapter. Not all

transformational leaders display individualised consideration. According to Bass (1985), it is likely that transformational leaders, who do not show individual consideration, depend on their charisma and/or intellectual stimulation to induce transformational change.

Bass and Steidlmeier (1999) stated that pseudo-transformational leaders are more concerned about maintaining the dependence and blind obedience of employees. They will ensure that their personal status is protected by maintaining the personal distance between them and their employees. Whereas the authentic transformational leader is focussed on assisting individual employees to become more competent, the behaviour of the pseudo-leader creates favouritism and unhealthy competition among employees.

Impact of Transformational Leadership

Managers evaluated by both supervisors and direct reports using various types of evaluations, including performance ratings and standard financial measures, are often rated as more transformational than transactional. Employees also report that they exert more effort for transformational leaders and less effort for transactional leaders, especially when these leaders practise passive management-by-exception. As organisational structures are flattening, the need for self-leadership by employees at all levels is growing. Although transformational leadership occurs more at higher than lower levels of the organisation, it can and should be observed at all organisational levels (Bass, 1990b, 1996a; Avolio et al., 1999).

Bass (1996a) asserted that transformational leaders are more likely to be seen as effective leaders by employees and colleagues, and often have better relationships with their supervisors. He continued by stating that transformational leadership should be encouraged in organisations, as it impacts on the overall performance of all levels of an organisation. Transformational leaders can make the difference between an organisation's success and failure because of their willingness to raise standards, take calculated risks, and mobilise others to buy into their vision for the future. Additionally, transformational leaders often motivate employees to transcend their own self-interest for the sake of the team or the

organisation. Bass (1990b) mentioned various leaders with authoritarian tendencies that have succeeded in business, because of the transformational elements in their leadership style.

There are also implications for the corporate image of organisations where top leaders are transformational. An organisation that is known to have transformational leaders on all levels conveys to all stakeholders, which include employees, customers, suppliers and the community, that it is focused on the future and has employees that work together to achieve the aims of the organisation (Bass, 1990b).

According to Nadler and Tushman (1996), charismatic leaders could create unrealistic expectations that could cause damage when they cannot live up to the expectations that they have created. They also cautioned that some employees, and in some cases whole organisations, can become overly dependent on strong leaders. This is especially relevant where employees develop a reluctance to disagree with the leader, which then leads to the disenfranchisement of the next levels of management. At the opposite end of this are employees who are uncomfortable with a strong leader, spending their time and energy trying to prove how the emperor is wearing no clothes.

Laissez-Faire Leadership

Both transactional and transformational leaders are active leaders, because both approaches are focused on the achievement of certain objectives and goals. This is in contrast to the very passive laissez-faire leader who avoids taking leadership responsibility. Compared to the reactive and proactive styles of transactional and transformational leaders, laissez-faire leaders are inactive. In line with this, den Hartog et al. (1997) concurred that this inappropriate leadership style can be attributed to a leader’s lack of motivation and the fact that she or he is often not adequately skilled to lead.

NEW ECONOMY LEADERSHIP

The changing nature of the economy and the world of work in the rapidly changing global environment has resulted in a re-thinking of the type of leadership required to be successful in this milieu. The familiar world of work has seemingly transformed overnight and even more frightening, appears to be ready to change again by tomorrow. The one aspect that most researchers agree on is that this new century of uncertainty and rapid change, demands new kinds of leaders with new skills (Adler, 1997, 1999; Bennis, 1996, 1997, 1998; Clark & Matze, 1999; Fulkerson, 1999; Graen & Hui, 1999; House, 1995; Kanter, 2000; Kotter, 1998c; Marquardt, 2000; Nel, 2004; Osterman, 2001; Sadler, 2003).

Adler (1997) explained that leaders of the twenty-first century are challenged by major societal shifts. In the past, economic, political, and cultural space has overlapped considerably, with all three the spaces defined by the borders of the nation-state. This enabled political leaders to control all three spheres at the same time, which is not a reality in the twenty-first century anymore. The economic sphere has enlarged to become global and due to the increasingly global economic competition, national borders no longer define or even affect the patterns of economic activity. Despite the creation of political organisations like the European Union and the African Union, the political sphere has remained defined by national boundaries. The only differences are that national governments no longer control their own economies to the extent they used to. It is also not clear how successful organisations like the European Union and the African Union have been on the geo-political level. In contrast to the changing economic sphere and the impact of that on the political sphere, the cultural sphere is shrinking to smaller and more homogeneously defined ethnic communities. This implies that cultural space is increasingly associated with areas smaller than the nation state.

Adler (1997) believed that in and of themselves, these trends are not problematic. They only become problematic because most major challenges in today's global environment are trans-national in scope, while governance structures tend to remain domestic. In contrast, organisations increasingly have trans-national structures in place to address worldwide societal problems, but often lack the mandate to do so. Dorfman (1996) supported this view

by adding that the borderless world of the new economy has led to the rapid restructuring of organisations, as well as an increase in the number of managers of different nationalities and cultures working for various multi-national organisations in different countries. Boyacigiller, Kleinberg, Phillips and Sackmann (1996) highlighted that joint ventures and strategic alliances allow smaller companies from smaller nations the opportunity to stay competitive in the global economy but create workforces that are diverse in nationalities, cultures, knowledge, and skills. Due to this trend, organisations require leaders that display the ability to conduct complex, cross-cultural relationships between individuals, organisations and networks.

Furthermore, the accelerating speed of communication and the daily technological innovations we are confronted with has led many to identify the new economy with technology. Nel (2004) stated that the world is undergoing another "soft" revolution impacting on human and leadership aspects of life, due to the "hard" technological revolution. An important consequence of the technological revolution is the move away from physical to intellectual work due to the computerisation and automation of processes. Consequently, less work in organisations is subject to process control, which makes it very difficult to observe, monitor and control the process and behaviour by which employees accomplish their tasks.

The "soft" revolution has also led to a major transformation of values — from the acceptance of practices, such as slavery, child labour, colonialism, institutionalised racism and sexism to democracy and the protection of human rights and market economics. These waves of change have affected all major institutions like families, communities, churches, education, business and government. Leaders are therefore faced with new challenges as they adjust to the variable role demands expected in the new economy work environment. Organisations in this fast moving new economy will not be able to adapt rapidly enough to meet new challenges, if leaders do not demonstrate acceptable leadership practices that are necessary to remain competitive. Consequently, institutions require a fundamentally different kind of leader because of the rapidly evolving nature of practices in the new economy (Clark & Matze, 1999; House, 1995; Nel, 2004; Sadler, 2003).

It is imperative to acknowledge that the fundamental changes discussed above are not just experienced on all levels in our society, but also occurring worldwide. A few examples are the disbanding of the Soviet Union, the unification of Germany, the peaceful political transition in South Africa, the joining of the European currencies into one currency, and the creation of macro-political organisations like the European Union and the African Union. These worldwide systemic changes are creating new social alignments, which emphasise interdependence and interconnection between individuals, organisations, and the environment. It appears that successful leaders in this environment demonstrate flexibility and empathy while remaining true to the core values of the organisation.

Bennis (1998) pointed out that many organisational beliefs regarding leadership are not aligned with the current reality of our ever-changing world. He described the idea of the omnipotent leader who has an answer for every organisational dilemma, as a modern myth. The problems and challenges facing organisations in the so-called new world economy diminish the idea that a great leader is enough, and increasingly there is mention of the need for a more collaborative form of leadership. The following characteristics of leadership in the new global economy can be identified:

Relational Competence

Clark and Matze (1999) argued that leadership in the new economy is a relational activity. The focus is not exclusively on the individual anymore, but on what happens between individuals and the organisation. Relational leadership refers essentially to facilitating the process whereby employees can co-create what they believe to be significant and ethical, as well as initiating action in the organisation. This implies that leaders create a culture where ideas are generated by everyone and that these ideas are piloted and implemented, while being tolerant of error and even failure because they understand that it will teach them more about success (Bennis, 1996).

Within the global environment, relational competence refers to the ability to value, understand, and interact with people from different cultures. This is not just from within an

organisation and country, but also with different cultures within different countries. Graen and Hui (1999) claimed that that the world is becoming more pluralistic and that organisations are confronted with more diversity than before. As such, global leaders have to know how to manage cultural differences to enhance organisational efficiency and risk management.

Relational work also requires the leader to develop competence in accomplishing mutually enhancing relationships with other leaders, organisations, employees, customers, suppliers, the society, and any other relevant role players. Additionally, leaders have to learn how to balance the complexities of economic, social, cultural, and environmental goals, since the new economy relies on collaboration and interdependence, and not on conflict and independence. According to Kouzes and Posner (1995), collaboration can be achieved when a leader creates and sustains cooperative goals. Bennis (1996, 2000) expanded on the importance of collaboration by stating that leaders will have to adapt to increasing and unfamiliar sources of competition as a result of globalisation. New economy organisations will consist of networks, cross-functional teams, temporary systems, and matrices to eliminate rigid hierarchies. These less hierarchical, more flexible structures will enable organisations to be more adaptive and flexible in the fast-changing environment of the global economy. In this context, successful leaders understand the value of relationships, because they support mutual growth, creative ideas, and new knowledge for everyone involved in the relationship. Relational competence thus requires integration of a person’s values, cognitions, emotions, behaviours, and communication ability (Clark & Matze, 1999; Fulkerson, 1999).

Marquardt (2000) expanded on the concept of relational competence by mentioning that we are living in a world characterised by global interdependence where the old Newtonian or mechanistic way of interpreting the world no longer fits. New economy leaders must be systems thinkers who not only pay attention to the relationships between people, but also have the ability to see connections between issues and events. In addition, they need to understand the whole rather than the parts, and know how to foster dynamic networks between people, as opposed to staid interactions or relationships based on a position in a hierarchy. These leaders also have to grasp how internal and external factors might benefit or destroy the organisation,

and develop ways to systemically interpret and analyse sometimes contradictory and seemingly unconnected pieces of information related to organisational challenges.

Change Agent and Risk Taker

It is obvious that twenty-first century organisations must be agile to meet the demands of the ever-changing global environment. Tetenbaum (1998) claimed that the disequilibrium created by these changes is unprecedented in our history. This is in stark contrast to the generally accepted belief of the industrial era, which viewed successful organisations as those that operate as close to equilibrium as possible. However, a model that emphasises stability and equilibrium only serves to restrict leaders to repetitive practices and imitation. If one considers the increasingly complex and competitive global environment, an organisation's ability to adapt to the changes while creating innovative solutions, can make the difference between success and failure.

In this context, it is crucial for leaders to become change agents and develop competence in creating and managing change for the organisation to survive. This is done by deliberately challenging the status quo to create a fluid, instable environment. Destabilisation keeps the system in a state of tension, a necessary ingredient for creativity. Then again, leaders will have to maintain the tension level at a point where it stimulates creativity without exceeding employee's ability to deal with the stress.

Kouzes and Posner (1995) emphasised that the role of change leader is inextricably connected with the process of innovation and creativity in organisations. Creativity and innovation requires risk-taking behaviour from leaders, or stated differently, when leaders experiment with innovative and creative ways of doing things in their organisations, they put themselves and others at risk. These new leaders encourage risk taking, and in line with creating disequilibrium, they continuously set goals that are higher than the present goals, but not so high that people cannot attain the new standards. Kanter (2000) focussed on innovation, and for her, innovation implies change. Since organisational change requires leadership, she concluded that new economy leaders will spend more of their time to create an organisational culture that supports innovation and empower employees to innovate.

Change leaders also have to develop competence in understanding the human response and barriers to change, in their efforts to facilitate the process of change. They need to lead employees through the transition from the mechanistic world of Newton, to the world of chaos theory (Tetenbaum, 1998). According to chaos theory, even more change lies ahead and therefore leaders will have to assist employees to increase their resilience or capacity to bounce back, no matter how fast or complex the change (Marquardt, 2000; Tetenbaum, 1998).

Teacher, Mentor, Coach and Learner

New economy leaders do not only build infrastructures, they also develop "information structures", because they assist in regenerating leadership at all levels of the organisation. Leaders need to establish and foster an environment conducive to learning. This not only includes a culture that is supportive of risk-taking and trial-and-error modes of problem solving, but also a culture that tolerates failure and refrains from blaming. Leaders in these organisations are also tolerant of conflict between employees and themselves, as everyone publically tests one another's assumptions with healthy debates around diverse ideas. New ideas are often stifled because they differ from the prevailing mindsets or mental models in an organisation. Effective leaders know how to challenge and surface these deep-seated mental models and basic assumptions of employees without invoking defensiveness or anger (Marquardt, 2000; Tetenbaum, 1998).

In order for organisations to survive in the new global economy they should not just be learning organisations, but also teaching organisations. Leaders must pass on their learning by coaching and mentoring in order to teach employees how to deal with the challenges that will come their way. Effective leaders are not just coaches and mentors, they are also themselves active learners. According to Marquardt (2000), these leaders will turn every interaction with employees into a mutual learning and coaching event. Nel (2004) agreed with this statement by pointing out that leaders must have enough humility to know that, regardless of their position, every employee has a contribution that they too can learn from.

Ability to Generate and Sustain Trust

A lack of trust seems to be prevalent in many new economy organisations as a result of increased downsizing, competitiveness due to globalisation, and the trend to see employees as a financial liability because of the emphasis on cost-to-income. This leads to alienation and feelings of hopelessness among employees and distracts them from focussing on the task at hand. According to Bennis (1997, 1998, 2000), only leaders who inspire trust by instilling work with meaning, can mobilise such employees to focus on the task. New economy leaders achieve this action orientation by showing an understanding of the paradox of power, "We become the most powerful when we give our own power away" (Kouzes & Posner, 1995, p. 185). The more everyone in an organisation experiences a sense of power and influence, the greater the sense of ownership and individual investment in the activities of the organisation. This leads to reciprocity of influence, with leaders and employees displaying a willingness to be influenced by each other. The trust that leaders display in employees promotes self-leadership in every employee of the organisation to effectively accomplish responsibilities.

Nel (2004) added by arguing that leaders do not only have to instil trust in employees, but also trust employees more. He argued that organisations in the new economy cannot rely on old systems of control and centralised decision making, and that the increasing levels of knowledge and skills enable employees to take on greater accountability than before. Kouzes and Posner (1995) asserted that individuals who cannot trust others often fail to become effective leaders. This is because they struggle to be dependent on the work of others and in the process of either doing the work themselves or supervising the process closely, they become over-controlling.

Trust is also of importance in supporting collaboration between and within teams. Kouzes and Posner (1995, p. 163) believed that "trust is at the heart of fostering collaboration" and a critical component of organisational effectiveness. However, trust is not a case of laissez-faire management or willful granting; it must be earned. Nel (2004) mentioned three aspects that create trust: when we involve others in decisions that affect them, when we believe that others

have the competencies to fulfil their tasks, and when we believe that others have the willingness to learn from us.

Servant Leadership

Servant leadership emphasises service to others, a holistic approach to work, building a sense of community and shared decision making within the organisation. The concept of servant-leader was introduced by Greenleaf (1970) and triggered a drastic rethinking of leadership. Many theorists view this attribute as one of the most significant for twenty-first century leaders (Marquardt, 2000; Sadler, 2003; Shriberg et al., 2002).

The basic principle of servant leadership is a desire to help and serve others, including employees, customers, shareholders, and the community, and as such they often help and support others with emotional pain and suffering. Due to this ability, servant leaders value people beyond their contributions as employees and are committed to their personal, professional and spiritual growth. They are willing to suspend their need for control and lead by persuasion rather than coercion, and are committed to listening to others, as well as to their own inner-voices. As such, they spend a lot of time reflecting and, understanding that the first step to changing the organisation is changing oneself. Furthermore, they have a sense of stewardship, in that they see themselves as holding resources of the organisation in trust. They understand the lessons from the past, the realities of the present, and the future consequences of decisions due to an ability to think in conceptual terms and to stretch the mind beyond everyday considerations (Sadler, 2003).

From the above, it is obvious that the image of the servant-leader is in stark contrast with that of the industrial era paradigm of the power-conscious authoritarian leader.

Transformational and Visionary Leaders

The concept of transformational leadership is also acknowledged as an important characteristic of leadership in the new global economy, but will not be addressed here, since it was discussed in detail earlier in the chapter. Kouzes and Posner (1995) noted that "vision"

has always been part of the leadership literature, but has lost its impact over time to the extent that executives and management theorists often belittled the concept. In the recent past, however, the concept of vision has been highlighted again and promoted as one of the most important leadership attributes in the ever-changing turbulent times of the twenty-first century. Visions can be interpreted as reflections of leaders' fundamental beliefs and assumptions about a variety of issues, including human nature, economics, politics, art, the use of technology, and ethics.

As a visionary leader, the new economy leader must be able to jointly create the organisation's vision and to inspire all relevant stakeholders to pursue the future state that the organisation desires. As such, vision statements are future-oriented and accomplished over time. Marquardt (2000) argued that the ability to simplify complex issues and processes to align people around the organisation's vision, and to ensure that the vision is achieved through taking appropriate action, is essential for the new leader.

FEMALE LEADERS

The leadership style of the New Economy leader incorporates approaches frequently labelled as feminine. Although this appears to advantage women leaders, it does not imply that only women leaders are suitable to the new style, it merely refers to the notion.

Adler (1999) pointed out that as the numbers of female leaders are increasing in the twenty-first century, these female leaders find themselves in a context that has until now focused primarily on male leaders. The increasing number of female leaders in the global arena will contribute in one of two ways. First, if female leaders lead in similar ways to male leaders, it expands the pool of potential leadership talent. Second, if women approach leadership in different ways from men, their styles will add new approaches to the leadership domain. Women are probably more suitable to feminine characteristics like special communication skills, empathy, nurturance, gentleness, and well-developed interpersonal skills that are required in the global twenty-first century environment (Adler, 1997). Polgreen and Rohter (2006) pointed out how two countries that share a legacy of bloodshed and oppression,

namely Liberia and Chile, have voted for female presidents precisely because of their feminine virtues and the hope that these virtues could best heal the wounds of their respective societies.

Research on the topic of gender and leadership during recent years produced various outcomes, but there appears to be more similarities than differences between male and female leadership. According to Appelbaum et al. (2003), the various approaches can be classified in four schools of thought, namely biology and gender, gender role, environmental factors, and attitudinal drivers.

Biology and Gender

The basic premise of research focussing on biology and gender, is that gender implies “male”, and male implies “leader”. The assumption is that leadership is biologically determined and intrinsic to males. As such, only males can lead effectively. This approach is, however, not substantiated by research, since only a few studies found gender differences in leadership style (Appelbaum et al., 2003). In their meta-analysis of studies relating to gender and leadership style, Eagly and Johnson (1996) could not find reliable differences in the ways that women and men lead. They ascribed it to the fact that male and female leaders who occupy similar organisational roles, differ very little because of organisational socialisation processes into the roles and selection as managers according to the same set of criteria. Obvious differences in the behaviour of male and female leaders were often due to the differing structural positions of the genders within organisations. Women are frequently in positions of little power or lack of advancement and the differences in behaviour is more often a reflection of their lack of power rather than gender differences. Despite evidence to the contrary, the thinking behind the biological approach seems to remain. This is often because of stereotypes that portray women as less capable leaders (Appelbaum et al., 2003; Eagly & Johnson, 1996).

Gender Role

Gender role spill-over, or the carrying over of gender based expectations of behaviour into organisations, is another approach used to differentiate between male and female leaders. This

suggests that societal gender roles contaminate organisational roles to the extent that people have different expectations for male and female managers. As a result, female leaders often experience role conflict between gender role and organisational role.

Appelbaum et al. (2003) referred to this as the feminine/competency double bind, where "feminine" is associated with incompetence and competence with the opposite polarity of masculine traits. Cellar et al. (2001) concurred with this view by stating that female leaders are often evaluated more harshly for demonstrating autocratic leadership styles than their male colleagues. Female leaders are therefore penalised when they behave in a way that is conflicting with gender stereotypes. If female leaders adopt the masculine traits to be perceived as competent, it leads to the conclusion that a leader must be "un-feminine" to be competent. A further outcome of the feminine/competency double bind is that female leaders who attempt to imitate masculine behaviour, is often perceived as inauthentic, while they are regarded as ineffective when they attempt to retain their feminine characteristics (Oakly, 2000).

The attitudes and beliefs resulting from gender stereotypes create doubts about women's ability to lead and their competence as leaders. Furthermore, female leaders often face a less supportive work environment than male leaders. Thus, Eagly and Johnson (1996) found that where gender differences in leadership style surfaced, it was often as a result of gender role spill-over and the resulting behaviour discussed above.

Appelbaum et al. (2003) mentioned that a third gender role dimension, or androgyny, has emerged. Stereotypical masculine behaviours are still seen as important for leadership, but in terms of androgyny, it seems that a balance of masculine and feminine behaviours, rather than a high amount of both behaviours, is becoming important in perceptions of leadership. Contrary to previous findings that identified feminine characteristics as a reason why female leaders are not perceived as successful, the emergence of androgynous leaders implies that if leaders display feminine characteristics, it does not impact negatively on them, as long as they also possess masculine characteristics. The use of this model has, however, not yielded significant findings, due to uncertainties regarding the definition of androgyny and the fact

that it is not reasonable to judge a quality such as sensitivity as exclusively female and authoritative as exclusively male.

The concept of the “glass ceiling” is also closely linked to the impact of gender stereotypes and gender role spill-over in organisations. This metaphor is used to describe a transparent barrier which prevents female leaders from moving up the corporate ladder and advancing beyond middle management positions. The “glass ceiling” phenomenon manifests in many varied and pervasive forms of gender bias in both overt and covert ways (Oakly 2000). O’Leary and Ickovics (1992) described the “glass ceiling” as being both an attitudinal and a structural barrier. However, females who have managed to smash the “glass ceiling” in order to be appointed to company boards are at greater risk to be pushed over the “glass cliff” if business outcomes in their areas of responsibility do not improve (Woods, 2004).

Despite the invisible impact of gender role stereotypes on female leaders’ advancement in the organisation, the world of work is still structured as if there is a full-time person at home attending to family responsibilities. As such, there has been little or no recognition for structural changes in the way work is accomplished due to shifts in social roles.

Environmental Factors

Eagly and Johnson (1996) identified various factors in their meta-analysis of gender and leadership studies that may potentially undermine a female’s leadership effectiveness. These factors include the female’s attitude, self-confidence, the corporate environment, and the “old boys’ network.”

According to Kolb (1999), *attitude* towards leadership is a stronger predictor of leader emergence than masculinity. She further wrote that the desire to be a leader is an important trait that distinguishes leaders from non-leaders. The way most females are socialised and the attitudes that they have been encouraged to assume, often send a message of incompetence in the corporate environment. This also impacts negatively on female leaders in today’s team-based organisations, with team members often evaluating female leaders negatively because

of their perceived incapability of representing the best interests of the group. Appelbaum et al. (2003) pointed out that an aspect, such as blocked mobility in organisations, can also be linked to the attitude factor. Blocked mobility, which can also be related to the concept of the "glass ceiling", often cultivates pessimism, whereas opportunity promotes engagement and optimism, regardless of gender.

Appelbaum et al. (2003) mentioned various studies that found *self-confidence* to be a significant predictor of female leadership emergence. Indications are that a significant number of females internalised the more docile, unleader-like attitudes during socialisation, resulting in a diminished self-confidence. This in turn results in disconnection with others' expectations of leadership. These findings are consistent with Kolb's (1999) findings that masculine individuals scored significantly higher on self-confidence than feminine individuals.

The issues that impact on female leadership in the very demanding and challenging *corporate environment* are indirectly linked to issues of attitude and self-confidence. These organisations typically favour and reward stereotypical masculine values and practices that conform to gender-based values. Oakly (2000) expanded on this view by stating that very few organisations created diversity initiatives or policies that lessened the obstacles for female leaders with aspirations to be promoted to senior management positions. Furthermore, female leaders in middle management positions often reported less performance-based feedback than their male counterparts, which serves as an additional obstacle for further promotion. Other corporate practices in the areas of training, career development and compensation also seem to obstruct female leaders from promotional opportunities in the corporate environment.

During the last decade, in some countries, the corporate environment has changed to one that is characterised by high levels of political correctness as people are developing an awareness of prejudice and overt discrimination regarding female leadership. Despite the higher levels of political correctness, the *"old boys' network"* is still functioning quite well in preserving and enhancing male leadership. Oakley (2000) described the "old boy network" as an informal male social system that stretches beyond the social system into leadership structures of organisations and exclude women from membership. A way that women are kept out of this

network is through a process where female leaders are required to prove themselves over and over again. This allows male leaders to protect the upper ranks as a male sphere of influence with the message to female leaders that they are not welcome and will have to fight to gain entry.

Attitudinal Drivers

Attitudinal drivers refer to the above-mentioned new, feminine values that are becoming more significant in new economy leadership. Appelbaum et al. (2003) argued that this repositioning of values is seen as a key to business success in the new global economy. Feminine characteristics referred to include consideration and concern for others, emotional expressiveness, participative decision making, people-orientation, people skills, and effective relationship building with all relevant role players. Yammarino et al. (1997) mentioned a small number of studies that found feminine characteristics to be more appropriate for transformational leadership and masculine characteristics more appropriate for transactional leadership. These authors argued that feminine attributes enable leadership that is collaborative, democratic, and interpersonal.

Appelbaum et al. (2003) concluded that these findings will not only do away with the mental model that female managers should not demonstrate a feminine orientation that can reinforce perceptions of incompetence, but that it is steering research away from male versus female issues to effective versus ineffective issues.

CONCLUDING REMARKS

This chapter focussed on the concept of leadership and its increased importance in the twenty-first century. Adair’s (2005) view that leadership, management, and supervision should not be separated but rather be interpreted as leadership at the team level, operational level and strategic level offered a convergent viewpoint to this long-standing debate. This chapter also provided detail descriptions of the Transactional and Transformational leadership model as expanded by Bass (1985). Based on the discussions of this model, it is evident that

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transactional methods can be appropriate in particular situations, but that transformational leadership is viewed as a more effective leadership style on all organisational levels.

Since leadership is contextually bound, it was argued that the rapidly changing nature of work in the twenty-first century is changing the type of leadership required to be successful in a global environment characterised by major societal shifts. In the discussion of new economy leadership it became evident that these leaders are aware of the changing global context and that they are flexible and open to these changes. It is important to note that transformational leadership is not replaced by so-called new economy leadership but forms an important dimension of this concept. New economy leaders understand the importance of relationships in organisations and take up the role of a change agent to facilitate creativity and innovation. Due to the importance of knowledge in this economy, they are actively involved as mentors and coaches to regenerate leadership at all levels of the organisation. New economy leaders also display the ability to generate and sustain trust due to their capacity to build a sense of community within the organisation. The discussion of leadership concluded that feminine characteristics are more appropriate for transformational leadership, as well as to aspects of new economy leadership and proposed that research in future should rather focus on effective versus ineffective leadership rather than on male versus female issues.

Chapter 4 will include discussions relating to cross-cultural leadership issues, cultural diversity in the South African and in the global context, Afrocentric versus Eurocentric leadership, and Ubuntu-orientated leadership.

CHAPTER 4
CROSS-CULTURAL LEADERSHIP

INTRODUCTION

As is the case in all anthropology, cross-cultural leadership studies should not ignore the reality and influence of the specific socio-cultural environment. This does not imply that behaviour, philosophies, values, and various perspectives found in one culture are better or worse than that found in other cultures — they just manifest differently (Lonner, 1979). The question can therefore be asked whether leadership manifests differently across cultures, or whether aspects of leadership are universal, thereby transcending cultural boundaries.

Hofstede (1980b, 1993) cautioned that it is not only leadership practices that may differ in diverse cultures, but possibly the entire concept of leadership and the theories needed to understand it. As such, there are inherent limitations in transferring theories across cultures without determining which aspects are culturally universal and which are culturally specific or unique. House et al. (1999) agreed with these views presented by Hofstede and pointed out that leadership philosophies evolve in harmony with the specific cultures in which they function.

Contrary to the above-mentioned views on the impact of culture on leadership styles, there are also those who argue that some aspects of leadership transcend cultural boundaries and are universally accepted (Bass, 1996b; Dorfman, 1996; House, Javidan, Hanges & Dorfman, 2002). Therefore, finding ways to understand and explain cross-cultural differences and leader behaviour across cultures are complex. This chapter will address these matters.

The wide ranging changes in South-Africa after 1994 (as discussed in Chapter 1) have led to a major shift in management demographics, with increasing numbers of women and people of colour in management positions. This has led not only to more culturally diverse management teams, but also to a more culturally diverse workforce. If the diverse management styles and behaviour that are emerging in this diverse workforce are not understood and accepted, it may

lead to interpersonal conflict and organisational ineffectiveness. Since leaders cannot lead a culturally diverse workforce the same way they would a culturally homogeneous workforce, this chapter will also delve into cultural diversity aspects within the South African leadership context.

Referring to the impact of culture on leadership, Dorfman (1996) wrote that very little is known about leadership processes and models in Africa, and that the combination of African culture and managerial processes from a colonial past yields a distinctive African management style. Accordingly, the concept of African management will also be explored.

LEADERSHIP: CULTURAL UNIVERSAL OR CULTURAL SPECIFIC?

The question whether leadership is culturally contingent or "culture free" has been an ongoing argument in leadership literature (Bass, 1997; Boyacigiller et al., 1996; Dorfman, 1996; Hofstede, 1980b, 1993; 1996; House et al., 2002). The "culture free" approach is consistent with an etic approach (as discussed in Chapter 5) and assumes that leaders of all cultures have certain core functional leadership qualities that are similar across cultures. This would enable researchers to identify universals regarding leadership behaviour, while leadership theories would not differ across cultures. Supporters of this point of view acknowledge that, although certain constructs are universal and therefore comparable, these constructs are not necessarily equally important across cultures (Dorfman, 1996).

Bass (1997) supported the universality argument by stating that no society has been found where leadership is totally absent. He admitted that leadership is often influenced by the culture or the organisation in which it appears, but argued that globalisation has made it easier to interpret leadership across cultures according to systematic approaches. This view was also supported by Boehnke, Bontis, DiStefano and DiStefano (2002) who stated that a global perspective allowed researchers to be more confident in their understanding of leadership in cross-national settings. To support his view, Bass (1997) presented results that showed that there is universality in the transactional-transformational leadership paradigm. He conceded that although the concepts and components of transformational and transactional leadership

are cross-culturally endorsed, the specific behaviours associated with these components may differ. Leaders in collectivistic cultures will be more actively involved with activities such as career planning and counselling. The culture thus facilitates the transformational leaders' individualised consideration. In high power distance societies the transformational leader will often be autocratic and directive, while transformational leaders in low power distance societies are more democratic and participative. Bass concluded, "to refute the transactional-transformational distinction will require finding conditions, cultures and organizations in which trust between the leader and the led is unimportant and the led have no concern for self-esteem, intrinsic motivation, consistency in self-concept, actions taken for the leader, or meaningfulness in their work and lives" (Bass, 1997, p. 137).

Alternatively, the "culture-specific" approach is consistent with an "emic" approach (as discussed in Chapter 5), and assumes that because cultures are different, leadership processes should reflect these differences. As such, they do not support the search for leadership universals. Hofstede (1980b, 1993, 1996) supported the "culture-specific" approach and argued against universal management theories. He based his argument on the assumption that management theorists grew up in a specific culture at a specific time frame, and therefore their ideas reflect the influences of their environment.

Dorfman (1996) argued that neither of the extreme positions presented above can lead to a comprehensive and accurate understanding of cross-cultural leadership. He reiterated that, although certain leadership functions exist in many cultures, the enactment and expression of those functions, as well as the impact of leadership on employee satisfaction, often fluctuate as a consequence of cultural differences. A low pressuring style of leadership was, for example, preferred by British and American employees, while the opposite was true for Japanese employees. Similarly, Bass (1997) mentioned that more participative leadership can be expected of transformational leaders in individualistic societies like North-America, while more directiveness would be expected of transformational leaders in collectivistic societies like those in Asia. As a result, Dorfman (1996) proposed a combination of "culture free" or etic, and "culture specific" or emic approaches, while combining quantitative approaches with complementary qualitative approaches to determine equivalence of constructs — as

exemplified by Project-GLOBE. He also suggested that researchers include a broader range of variables in leadership theories, such as religion, language, ethnic background and political systems. The Cultural Enveloping model of leadership developed by Dorfman (1996) and the Integrated Systemic Conceptual model of Project-GLOBE (House et al., 1999) discussed below, are examples of models that incorporate the suggested broader range of variables.

Culture-Enveloping Model of Leadership

According to this model (see Figure 4), culture is seen as an all-encompassing influence of leadership theories and processes. Internal focus areas of the model relate to the leader's power, image and interpersonal relationships. These are all aspects that are culturally dependent. To begin with, culture influences the leader's power, assuming that a leader would have a higher capacity to influence others in high power distance cultures and cultures where masculine/feminine roles are clearly defined. Since leader effectiveness is linked to the process of being perceived as a leader, the image created by the leader is fundamental. The image of an American leader would most likely reflect values of independence and forcefulness, while that of an African leader would probably reflect values of interdependence and collaboration. Lastly, the interpersonal interactions of leadership are also culturally dependent, with participatory leadership, for instance, not expected in high power distance cultures.

Dorfman (1996) also included situational moderator variables which are important for leaders in all cultures. He noted aspects such as leadership expertise, which have been found to enhance leadership impact in all studied cultures. According to the model, culture will also affect the outcomes of successful leadership, like target achievement and group effectiveness. It is highly unlikely that individual success that resulted from independent individual performance would be viewed favourably in high collectivistic cultures, particularly if that success impacted negatively on the inter-connectedness of the group.

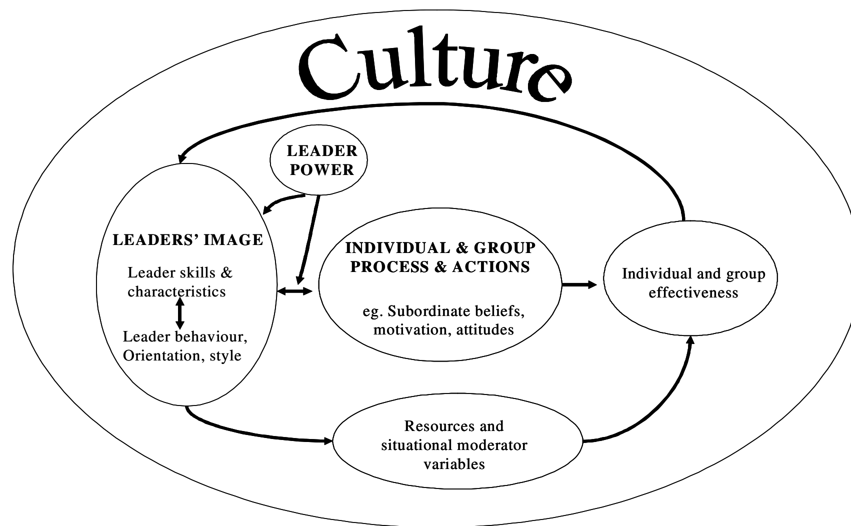

Figure 4 Culture-Enveloping Model of Leadership (Dorfman, 1996, p. 313).

Integrated Systemic Conceptual Model of Leadership

Project-GLOBE (House et al., 1999; House et al., 2002) developed an integrated systemic conceptual model (see Figure 5) to guide its research. This model maintains that the attributes that distinguish between different cultures are predictive of the practices of organisations, as well as leader attributes and behaviours that are repeatedly performed, accepted and perceived as effective in that culture.

According to Figure 5, societal cultural values and practices affect what leaders do. Leaders are immersed in their own societal cultures and are therefore likely to perform behaviour patterns that are preferred in their culture. Bass (1990a, 1997) also asserted that cultures and organisations affect leadership. As such, different leadership models will occur in societies that have different cultural values. A consultative, democratic leader might be seen as weak in a culture that endorses an authoritarian leadership style. Hofstede (1993, 1996) emphasised that leadership cannot be isolated from prevailing processes in societies, cultures and sub-cultures. Furthermore, a society's cultural dimensions can predict management processes and the kind of theories applicable to their management. As indicated above, he further argued that theorists and management scientists are individuals that grew up in a particular society in

a particular period and that their ideas cannot but reflect the constraints of their environment. As such, management is not something that can be isolated from other processes taking place in society.

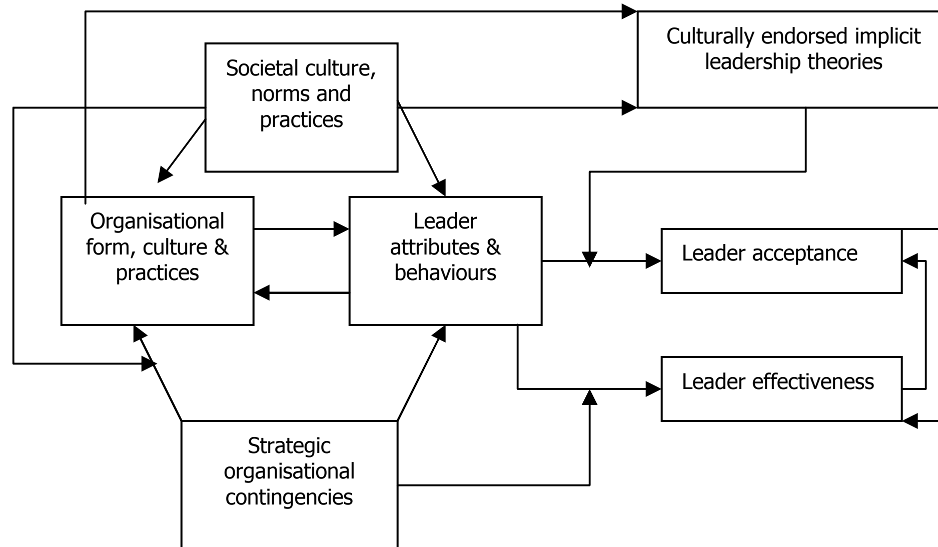

Figure 5 Integrated Systemic Conceptual Model of Leadership (House et al., 1999, p. 187).

Leadership, in turn, affects organisational form, culture and practices. Founders of organisations establish the initial culture of their organisations, which is then maintained by successive leaders. At the same time, societal cultural values and practices also affect organisational form, culture and practices. The dominant cultural values and beliefs that are sanctioned result in common implicit leadership theories and implicit organisational theories that are held by members of the culture.

Over time, leaders respond to the organisational culture and alter their behaviours and leadership styles, while societal culture and organisational form, culture and practices influence the process by which people come to share their implicit leadership theories. These theories also distinguish effective leaders from ineffective ones and influence the values placed on selected leader behaviour, attributes and motives that are relevant to acceptance and enactment of leader behaviour (House et al., 1999; House et al., 2002).

Additionally, strategic organisational contingencies affect organisational form, culture, and practices, as well as leader attributes and behaviour. Cultural forces moderate relationships between strategic organisational contingency plans and organisational form, culture and practices.

Figure 5 also shows that leader acceptance is a function of the interaction of implicit leadership theories with leader attributes and behaviour. Leaders who are not accepted will find it more difficult to influence subordinates, which implies that leader acceptance facilitates leader effectiveness and vice versa.

It follows from the above discussion that the attributes and practices that distinguish between cultures, as well as strategic organisational contingency plans, are predictive of leader attributes and behaviours that are most frequently perceived as acceptable, effective and implemented (House et al., 1999; House et al., 2002).

Universally Endorsed Leadership Attributes

Bass (1997) argued that the transactional-transformational paradigm could provide a basis for the measurement and understanding of leadership universally. He provided supporting evidence, which had been obtained in different countries and indicated that the constructs in the model could be used to explore the concept of leadership in most situations.

Project-GLOBE (den Hartog et al., 1999; House et al., 1999; House & Javidan, 2004) identified 21 primary leader attributes or behaviours that are universally endorsed as contributing to an effective leadership style and eight that are universally construed as obstacles to efficient leadership. In addition, the project also identified the following six global leadership dimensions:

- Charismatic/Value based leadership: This dimension refers to a leader's ability to motivate and inspire others to achieve high performance outcomes based on decisively held core values.
- Team-oriented leadership: A dimension that emphasises team building to ensure effective implementation of a shared purpose and goal among team members, consisting of six sub-scales, which include visionary, inspirational, self-sacrifice, integrity, decisive, and performance orientated.
- Participative leadership: A dimension that reflects the extent to which managers include others in the decision making process, consisting of five sub-scales, including collaborative team orientation, team integrator, diplomatic, malevolent, and administratively competent.
- Humane-oriented leadership: This dimension does not only include compassion and generosity, but also reflects a leader's ability to be supportive and considerate. It is measured by two sub-scales, labelled modesty and humane orientation.
- Autonomous leadership: This newly defined dimension refers to independent and individualistic leadership attributes and is measured by a single sub-scale called autonomous leadership.
- Self-protective leadership: A newly defined leadership dimension from a Western perspective which focuses on the safety and security of the individual and the group. This is achieved through face-saving and status enhancement and consists of five sub-scales, namely self-centred, status conscious, conflict inducer, face-saver, and procedural.

Eleven of the 21 identified attributes or sub-scales were part of the Charismatic/ Transformational leadership dimension (den Hartog et al., 1999). Although not all the results of Project-GLOBE pertaining to leadership will be discussed in the present study, a major finding was that these results supported an hypothesis that charismatic/transformational leadership attributes and leader integrity are universally endorsed as contributing to outstanding leadership. Most of the other universally endorsed leadership attributes which did not relate to this dimension were from the team-oriented dimension. Dorfman et al. (2004, p.678) concluded, "The portrait of a leader who is universally viewed as effective is clear:

The person should posses the highest levels of integrity and engage in Charismatic/Value-based behaviors while building effective teams."

Dorfman et al. (2004) discussed results obtained in Project-GLOBE that indicated that most of the attributes in the primary leadership dimensions "self-protective" and "malevolent" are universally interpreted as barriers to efficient leadership.

CULTURAL DIVERSITY AND LEADERSHIP

The topic of diversity and related subjects such as affirmative action, employment equity, pluralism, and multi-culturalism, have been widely debated in the literature. However, the inclusion of these related subjects in diversity discussions have positioned diversity as a concept similar to affirmative action, thereby creating considerable uncertainty in people's minds. Diversity should also not be confused with multiculturalism, diversity management or empowerment (Booysen, 1999; Cilliers & May, 2002; Chemers & Murphy, 1995; Robinson & Dechant, 1997; Rooseveldt, 1995; Strydom & Erwee, 1998).

Due to the uncertainty regarding the concept of diversity, it is necessary to clarify it before the impact of cultural diversity on leadership can be discussed. Two broad interpretations of diversity can be identified in the literature. The one perspective interprets diversity as all the ways in which people differ from each other (Robinson & Dechant, 1997; Strydom & Erwee, 1998). The other perspective interprets diversity as any differences and similarities between individuals and groups on any given dimension, that is, it does not equate diversity to differences only, but encompasses both differences and similarities (Rooseveldt, 1995; Cilliers & May, 2002). It is also important to remember that diversity does not refer to one dimension, for example race only, but also to age, ethnicity, gender, mental/physical ability, sexual orientation, personality, social class, educational level, marital status, and many more. Some organisations have broadened the definition of diversity to include dimensions such as hierarchical levels, functions, and business units.

Diversity in the South African Context

When discussing the concept of management within an African context, South Africa has often been described as a “dynamic crucible”. This refers to the diversity of cultures and mindsets that were created in the interface of Europe, Asia and Africa to create a unique combination of First World and Third World lifestyles (Beck & Linscott, 1994). Koopman mentioned that many systems were imported and imposed on Africa during the colonialist past, that are in direct conflict with the African ways of doing things. The organisational design that was imposed, “led to the annihilation of the African world-view, destroying its dignity and self-respect” (1994, p. 42). Furthermore, any typical value system to be found in Africa as a whole can be found in South Africa as well. At the same time, European and Asian values continue to impact on African values, which are themselves oscillating between the ever- changing circumstances of urban, rural life and industrial society (Beck & Linscott, 1994).

Within this culturally diverse context, South African organisations are seen as microcosms of the global macrocosm and as such, South African leaders often have to deal with high levels of complexity. Beck and Linscott supported this view by stating that most South African organisations have to deal with a list of societal issues on a daily basis, including “race relations, first and third world disparities, change dynamics, haves versus have-nots and inequalities in housing, education and career potential” (1994, p. 97). All of this is happening while they are competing with other organisations in the global arena.

Chemers and Murphy (1995) maintained that diversity and leadership relate to two issues, namely diverse leadership and a diverse workforce. The first issue refers to whether differences in gender, race, and culture group are related to differences in leadership style or behaviour, while the second issue has to do with what type of leadership is necessary to effectively utilise the talent and energy of a diverse workforce. The focus in this section will be on the latter.

Koopman (1994) explained that a number of often conflicting value systems are present in a diverse workforce. Ignoring the reality of a number of value systems that are at odds with one another can impact negatively on worker motivation and organisational productivity. When one considers the changes that occurred in the South African business environment since 1994, the validity of these viewpoints is evident, given the changes in the demographics of leadership (more females and people of colour), as well as the general workforce. The already difficult situation of a changing workforce is intensified by the fact that the previously white dominated organisations in South Africa created exclusive organisational cultures which favoured the development and self-fulfilment of the individual. This is in opposition to the viewpoint of Blacks, who believe that every individual is embedded in a social structure and that the need for the individual is to find his/her place in society, to take up his/her particular role in this society and to subordinate personal goals to societal needs. Thus, there is a desire for more inclusive organisations. The vast polarisation that has been created in South African organisations due to the misunderstanding of the various value systems can, according to Koopman (1994), be interpreted as the root cause of low productivity and poor performance.

Although diversity in workgroups can enhance performance considerably if it is managed properly, it does present organisations with potential problems relating to the issues of group cohesiveness and communications. The assumption that group cohesiveness is reduced by diversity in work groups is based on the belief that people feel more comfortable with members who are similar to them. The reasons for this are that opportunities for status incongruence increase in diverse groups, for example a female leader in a culture where men are not accustomed to being managed by a female, or that social comparisons that people rely on to conduct self-evaluations, are more reliable when the person being compared to is viewed as similar. Communication-related barriers to performance in diverse workgroups, especially in multi-cultural workgroups, become the source of misunderstandings that ultimately lead to lower workgroup effectives (Cox, 1994).

Leading a Diverse Workforce

Cox (1991) noted that the increasingly diverse workforce in organisations may lead to high employee turnover, higher absenteeism rates, interpersonal conflict, communication breakdowns, and eventually, lower productivity if leaders do not know how to lead in such a diverse environment.

As pointed out earlier, the South African business environment is often described as a microcosm of the global macrocosm. Although this increases the complexity of that which South African leaders have to deal with on a daily basis, it creates unique opportunities for these leaders to improve on their skills to lead a diverse workforce. This would enable South African leaders to have a competitive advantage in the global arena by producing creative solutions in an environment where there is an ever-increasing occurrence of cross-functional, cross-national, heterogeneous teams. Joplin and Daus concurred with this viewpoint and stated that good leadership skills are no longer sufficient in this diverse environment and that "excellence across a broader range of skills will be a baseline requirement for successful leadership in a diverse workforce" (1997, p.32).

It is also imperative for leaders to understand that diversity, as a relatively new occurrence in organisations, cannot be treated as something that is self-managing. Leadership ignorance regarding diversity has seen many organisations failing in their efforts to retain especially women and Black, Coloured, and Indian employees. Cox and Blake (1991) stated that job satisfaction levels in the United States are often lower for minority groups and that frustration over career growth and cultural conflict with dominant white-male culture may be the major reasons for the lower satisfaction levels. This is also the case in South African organisations. According to the Ministry for Public Service and Administration (1997), a large number of Black employees experience organisational environments as hostile and alienating, resulting in higher turnover and lower job satisfaction. This situation is exacerbated by expecting Black, Coloured, Indian, and female employees (management level as well as general workforce) to conform to current organisational cultures that do not reflect the values of all the South African population groups. New employees are expected to fit in and bear the

burden for adjusting to organisational cultures which are not sensitive to diversity related issues.

It is crucial for leaders to be authentic and openly display the necessary behaviour required for change and their commitment to cultural diversity to facilitate organisational transformation. From this, it is obvious that leaders should move beyond meaningless rhetoric and not only "talk the walk", but also "walk the talk". It is more effective if employees not only see that leaders are supporting transformation with their behaviour, but also hear leaders talking about their own personal journey during the process of organisational transformation. Joplin and Daus (1997) identified the following six challenges resulting from ever increasing diversity in workforces that are likely to require the attention of organisational leaders in order to achieve organisational objectives:

Changed power dynamics is often described as one of the most difficult challenges that a leader will encounter in an organisation where there has been a large shift in the demographics of the workforce. As more employees who do not fit the traditional organisational culture are appointed, employees who have been in the system for a longer period of time may experience a deterioration of power. The uncertainty of not knowing how to operate in what was once familiar territory leads to an increase in tension, and power struggles for scarce resources and control of social structures develop. The interaction of diversity dynamics and unstable power structures lead to both lowered individual and organisational performance.

The power struggles are often not explicit. According to group relations theory, which has its philosophical and theoretical roots in psychodynamics, socially structured defence mechanisms develop over time within groups with the purpose to maintain the status quo. They are unconscious and groups are often not aware of their functioning (Cilliers & May, 2002). De Jager (2003) conducted a study in a South African financial institution to uncover the socially structured defence mechanisms and uncovered various forms of them against change and transformation towards a more diverse and representative culture. The following are some of the socially structured defence mechanisms that were uncovered:

- idealisation of the older White male by Black and female employees in the system and an underestimation of their own potential;
- White male power alliances against Black leaders;
- White male and Black male power alliances over White female and Black female leaders;
- White leaders' envy of Black leaders due to the demand for Black leaders in the market and huge salary packages to recruit Black leaders;
- setting up of Black leaders for failure;
- projection of incompetence on Black leaders;
- depersonalisation of the Black leader by referring to Black leader as 'window dressing' and 'equities'; and
- projection of irresponsibility and untrustworthiness onto Black leaders.

De Jager (2003) found that these socially structured defences resulted in a collusive system of superiority and inferiority projections between White and Black, and male and female employees.

Dealing with the *diversity of opinions* that stem from employees' cultural value systems and the resulting behaviour, the demographics of an organisation's workforce changes, is the second challenge. In this context, it is imperative for leaders to identify the different frames of reference and common denominators that may serve in issue resolution. This is regarded as one of the most time-consuming and energy-draining activities of leading a diverse workforce.

A third challenge is the *perceived lack of empathy* during the integration of the diverse viewpoints by leaders that were discussed above. In diverse environments, it is crucial for leaders to be able to identify with followers that differ on a variety of diversity dimensions. Leaders who manage to step out and see beyond their own mental models and listen with

empathy, create openness and trust in the workforce. If the followers perceive the leader as intolerant or not being able to empathise with all relevant groups, group processes may be disrupted. Favouritism can place a leader in the middle of a political battle, and lead to individuals within the various groups capitalising on the leader's lack of empathy or impartiality.

The fourth challenge of *tokenism* is a traditional barrier in the early stages in the process of becoming a more diverse organisation. New employees who are hired in an attempt to increase the diversity of the workforce are often perceived by current employees in the system as not being qualified. There is also a tendency to attribute failure to the individual's gender, age or race, and success to luck or to ineffectiveness in organisational control mechanisms. These beliefs are detrimental to employees' self-esteem and inadvertently lead to poor performance. Leaders are in a position to openly challenge and change attitudes and perceptions regarding these individuals, for example, by assigning work to subordinates in ways that counter stereotypes, by disapproval of racist jokes and/or sexist language or stereotypes.

The fifth challenge is for employees in the diverse workforce context to feel free to *participate* in decisions which lead to plausible, workable solutions to organisational challenges. If this is achieved, the principle of a more diverse workforce bringing about more creativity and innovation to the work environment is achieved. All employees of the diverse workforce should have a voice in the organisation, and they should be aware that the organisation appreciates their opinions, ideas and inputs. Employees who realise that their input is not utilised or taken seriously by the organisation, experience a lack of empowerment and subsequently back away from making meaningful contributions.

The last challenge is that feelings of apathy and inactivity may set in as organisational leaders, especially highly task-orientated leaders, realise how much time is consumed by leading a diverse workforce. This is detrimental in achieving organisational goals. It is crucial for leaders of global organisations not only to have an organisational vision and goals, but also the dedication to *overcome inactivity* to carry them out. Joplin and Daus (1997) emphasised

that leaders should not only be gathering information relating to the organisation, but also integrating them into action plans which will lead to implantation. If this does not occur, inactivity can paralyse the organisation.

Cultural Diversity in the Global Organisation

Schneider and Barsoux (2003) identified the following three organisational strategies that large international or global organisations utilise to manage cultural diversity. These strategies, namely ignore, minimise, and utilise, are based on certain assumptions regarding cultural differences. In the first instance, culture is seen as irrelevant, the second strategy sees culture as a problem or threat, and in the third strategy culture is seen as an opportunity for learning and innovation than can be utilised to enhance the company's competitive advantage.

The underlying assumption of the strategy to *ignore cultural differences* is that "business is business" and that leadership is the same throughout the world. As a result, policies and procedures developed in the home country are seen as transferable and subsidiaries in host countries are expected to implement and apply these exactly without customisation. Organisations that follow this strategy are inflexible and argue that this approach is imperative to ensure product quality, to maintain the same service quality as in the home country, and to ensure that the corporate culture, as in the home country, is shared by all employees. A challenge of this approach is to gain acceptance from employees. Compliance is often achieved at surface level, but not necessarily on the underlying values and assumptions.

To *minimise cultural differences* is a strategy that acknowledges the importance of cultural differences, but purely as an attempt to minimise perceived problems or threats to well-organised and effective operations. Potential conflict between the various cultures is addressed by finding ways to create sameness or by isolating them to create segregation. Companies who prefer "sameness" assumes that a strong corporate culture can serve as a melting pot to reduce the impact of different national cultures, while companies who prefer segregation allows subsidiaries to "do their own thing", as long as they perform according to

expectations. Both of these strategies depend on pedantic systems of reporting and financial control. A concern about this strategy is fragmentation that leads to duplication of effort.

Companies who subscribe to the strategy that *utilises cultural differences* understand the need for both global integration as well as national responsiveness. This is achieved by aligning national companies with globally developed business or product lines by means of matrix reporting lines. The national business reports to a country manager, who is important in ensuring local responsiveness, and a business or product manager, who is responsible for global integration. This strategy requires a balanced approach, because local resistance can create problems if country managers are not committed to both a regional and a global perspective. They should therefore be included when global strategies and plans are developed and by exposing them to international leadership practices. However, managers from the different countries need the appropriate skills to manage cultural diversity if they have to function internationally to ensure that cultural advantages are utilised.

AFRICAN VERSUS WESTERN LEADERSHIP

The South African workforce is a “melting pot” of people from various cultures, especially due to the influx of Black, Coloured, and Indian employees in the South African labour market since 1994. However, more than a decade after apartheid, South African leaders are still faced with a number of challenges that are inextricably linked to the multitude of cultures represented in the country and its ever-increasing diverse workforce. Given this highly dynamic and diverse context, it is likely that South African leadership practices are not in harmony with all the cultures represented in organisations. In order to discuss this, it is of importance to explore the impact of the various cultures within the South African business sphere, with specific reference to an African versus Western approach to leadership.

Most South African organisations are operating consistent with a Western model of leadership. It is also evident that not much is done to incorporate indigenous African world-views that could improve the quality of work life in the South African business world (Fontyn, 2002; Khoza, 1994). South Africa only entered the African group of nations after the

1994 democratic elections and since then, organisations have been confronted on an unprecedented scale and intensity by a Western and African mix (Jeppe, 1994).

Khoza stated that the "Eurocentric" or Western approach includes decision-making that is based on power-relations rather than consensus and promotes adversarial relationships rather than consensual relationships between leaders and followers. More characteristics of the Western approach are illustrated in Table 1. He further argued that an Afrocentric approach signifies the use of home-grown, African solutions to the various challenges, including economic challenges, organisations are confronted with in the business environment. It is also about authentic African-orientated behaviour in the socio-cultural, economic and political sphere. Afrocentricity is, however, not an attempt to enforce an African world-view on organisations. It merely suggests that people of African descent or cultural orientation "anchor their view and evaluation of the world within their own historical or ontological framework" (Khoza, 1994, p. 118).

Table 1 Western and African characteristics (Jeppe, 1994).

Cultural values, Worldviews and Norms	Western	African
Interpersonal	Individualistic, competitive, egalitarian	Communal, other-directed, group-orientated, hierarchical
Time Orientation	Linear, planned future, promptness	Circular, flexible
Motivation	Competitive, achievement	Affiliation, acceptance
Leadership orientation	Opposing, critical, autonomy, egalitarian	Submissive, dependent, enduring, permanency
Risk	Entrepreneurial, initiative	Resignation, contentment, destiny

Ubuntu

The humanistic philosophy of African humanism, or *ubuntu*, is central to the concept of African management. *Ubuntu* is a purely indigenous African philosophy of life, with all African languages throughout the continent somehow referring to this philosophy. Due to the fact that so many African languages refer to the concept, various literal translations are found in the literature, such as: "humaneness", "personhood", "a man is a man", "I am because we are", or "I am because you are, you are because we are" (Booysen, 2001; Broodryk, 1997; Khoza, 1994).

As a philosophy, *ubuntu* promotes supportiveness, cooperation, and solidarity. Khoza (1994) emphasised that *ubuntu* is opposed to the type of competitiveness that flows from individualism, but it also does not support collectivism where it promotes the social unit to such an extent that the individual is depersonalised. Due to the focus on humanness, it emphasises the importance of concern for others, as well as working together for the common good, unconditional compassion for the group, respect, dignity, trust, discussion, and consensus. The picture of elders sitting under a tree and talking about contentious issues until they agree, is a widely documented practice (Broodryk, 1997).

Ubuntu-Orientated Leadership

Broodryk (1997) wrote that *ubuntu*-orientated leadership can be interpreted as the indigenous African style of participatory leadership. He explained that this kind of African leadership could be compared with the four teats of a cow, each representing a different aspect of the leadership process. The symbolism of the cow is used because it is an important animal in African culture. These four aspects refer to leadership, the social environment, culture, and strategy.

Openness is an important aspect of *leadership* which allows for spontaneous participation and trust between leader and followers. Trust facilitates the possibility of consensus after discussions, which could at times be adjusted due to unforeseen environmental changes. An

important aspect of this form of leadership is that the leader is part of the team and therefore there is a remarkable openness, free movement, communication and contact between leader and followers.

According to *ubuntu*, the community does not exist in a vacuum and forms an inter-connected network with the natural, political, social, economic, cultural and psychological levels. Manifestations of all of these dimensions should be analysed and interpreted as it appears in the work environment.

Broodryk (1997) explained that in the African context people can speak without interruption at meetings that last for hours. Since all individuals are equal, they are free to voice their opinions until consensus is reached. The practice of the *imbizo*, a mass meeting which is attended by as many people as possible, can also be seen as such an open system where all inputs are encouraged and welcomed. It is interesting to note that President Thabo Mbeki has initiated a number of *imbizo's* in various areas of South Africa since 2001, where citizens have the opportunity to discuss issues of concern directly with the president (Jackson, 2001; Seale, 2001).

The aspect of *culture* relates to the Western versus African discussion above. Broodryk (1997) pointed out that culture tends to influence strategy, and as such, it does not make sense to apply rigid Anglo-Saxon standards in a situation where an *ubuntu* worldview is present. He listed (p. 55) various aspects that need to be considered in an *ubuntu*-orientated leadership process to enable better relations and communication in the work environment:

- *Simunye* — the spirit of oneness or inclusivity;
- *Shosholosa* — teamwork;
- *'nKhozi sikhelela* — the blessing of God;
- Humanness — *ubuntu* aspect of care;
- Informality — Africans are informal people;
- *Toyi-toyi* — spontaneous dancing;

- The extended family system — symbolic of the spirit of brotherhood; and
- Death — this is a serious event and managers need to be aware of the rituals.

The *strategic exercise* of analysing the vision, mission, obstacles, opportunities and the questions of why, how, when, and whom, can only follow an open and trusting relationship with the leader in an environment where everybody had an opportunity to have their say and where an agreement was reached based on consensus and not necessarily majority vote.

How to Value both African and Western Leadership Approaches

It follows that it does not make business sense to ignore the cultural archetypes of employees in organisations by imposing a Western business culture. Leaders cannot expect the Western approach to facilitate the accomplishment of business goals effectively in an environment where there are more professional Black employees than before who do not necessarily adhere to the practices and values of these approaches. Booysen (2001) also recommended that South African organisations place equal value on the Western and African approaches to leadership.

Mbigi (1994a) argued that effective leadership in an African context can only become a reality when leaders have the courage and vision to start this long transformational journey to a more authentic leadership philosophy. The uniqueness of this African leadership philosophy is the ability to balance and reconcile a number of polarities present in organisations. These are:

- Stability versus chaos;
- Harmony versus conflict;
- Reality versus vision;
- Feudalism versus modernity;
- Freedom versus control; and
- Diversity versus integration (Mbigi, 1994b, p. 88).

Mbigi (1994b) proposed that uniquely African management approaches should be developed that could synthesise the above-mentioned polarities. He interpreted Lessem's (1994) "Four-world business sphere" as such an approach.

The international economy is usually divided into three economic regions or zones. There is the Western world, which represents the capitalist regions of North America and Europe, the more recently successful Eastern nations with their distinctive management practices, and the so-called Third World, consisting of all the developing and under-developed regions, like Africa, South America and parts of Asia (Booysen, 1999). Lessem (1994, 1996) proposed that instead of these three worlds, four distinct and complementary strands of business and economy should be acknowledged. These are competitive (World One), managerial (World Two), cooperative (World Three), and communal (World Four). These are seen as possible ways to utilise diversity within the South African context effectively to increase productivity.

Lessem (1994, 1996) was of the opinion that South Africa's social, political and economic transformation has not been accompanied by a differentiated and integrated management approach. Furthermore, the majority of South African organisations have not yet recognised or harnessed the potential of this cultural, economic and individually diverse workforce. He argued that the South African business environment has evolved predominantly out of the Western world and to a lesser extent, the Northern world, while ignoring the Eastern and Southern worlds. An integrated and differentiated authentic South African leadership philosophy will only be accomplished when leaders acknowledge, value, and utilise the differences and similarities of their cultural roots. The characteristics of the four worlds are summarised in Table 2.

Lessem concluded that the presence of the Western-Eastern and Northern-Southern dimensions provide the necessary creative tension for the establishment of a uniquely Southern African management philosophy. As such, African management represents interplay with various degrees of emphasis between the four worlds, "although all four philosophical

factors are required for integrated managerial learning and organisation development" (1994, p. 38).

Table 2 The four worlds of the Southern African business sphere (Lessem, 1994).

World 1 — Western	**World 2 — Northern**
• Competitive personal enterprise (Anglo-Saxon) • Empiricism Managerial type: • Experiential manager ○ *Positive manifestation:* Free-spirited individualism ○ *Negative manifestation:* Uncontrolled materialism Business outlook: • Competition, transactional Path of organisational evolution: • Self-help — self-development; • Free enterprise — learning company	• Managerial hierarchy (European) • Rationalism Managerial type: • Professional manager ○ *Positive manifestation:* Meritocracy ○ *Negative manifestation:* Bureaucracy Business outlook: • Coordination, hierarchical Path of organisational evolution: • Functional — structural; • Bureaucracy — requisite organisation
World 3 — Eastern	**World 4 — African**
• Cooperative industry • Idealism Managerial type: • Developmental manager ○ *Positive manifestation:* Holistic ○ *Negative manifestation:* Totalitarianism Business outlook: • Cooperation, systemic Path of organisational evolution: • Differentiation — integration; • Closed cartel — open system	• Communal network • Humanism Managerial type: • Convivial manager ○ *Positive manifestation:* Communal focus as embodied by Ubuntu ○ *Negative manifestation:* Nepotism, corruption Business outlook: • Communal, co-creation, network Path of organisational evolution: • Patriarch/social architect; • Family business/socio-economic Network

Booysen supported this view by proposing that managers in leadership training programmes at all levels should be exposed to the Afrocentric approach to leadership. For this to happen, leadership curricula, which are still biased towards a Northern and Western leadership style, should be revised to make them more inclusive of the values of the diverse spectrum of

managers attending these programmes. She also suggested that the mental models and paradigms prevalent in South African organisations, like the "West is best" should be changed to "West is just one way, there is also East, North and South to choose from" (2001, p. 58). This is linked to the "White is right" paradigm which should be challenged to incorporate Black, Coloured and Indian thinking too. Furthermore, a strategy for managing cultural diversity is required to build a corporate multicultural identity. These initiatives should, however, be supported by changes in existing discriminatory policies and procedures, and addressing structural inequalities in organisations.

Thomas and Schonken (1998a) severely criticised Lessem's (1994, 1996) model as being over-extended and based on sweeping generalisations that have not been tested and verified empirically with systemic research. They further argued that the model is not reliably consistent with the concepts that he utilised and that the model is not well aligned with Hofstede's (1980a) cultural value dimensions. Thomas and Schonken (1998b) consequently conducted research in an attempt to substantiate Lessem's (1994, 1996) model empirically. They concluded that their research offered no evidence to substantiate or to reject or accept the model outright, but could not offer an alternative model.

CONCLUDING REMARKS

The question of leadership as a culturally universal or culturally specific concept was considered as part of the discussion of the impact of culture on leadership. It was shown that researchers like Hofstede (1980b) supported the culture-specific approach, which assumes that leadership processes, and possibly the entire concept of leadership, would be different in different cultures, because cultures are different. On the other hand, management scientists like Bass (1997) maintained that leadership is culture-free and transcends cultural boundaries. He did, however, agree that cultures and organisations do affect leadership in the sense that different leadership models will occur in societies with different cultural values. Dorfman (1996) proposed a combination of the two approaches and also suggested that variables such as religion, language, and political systems be included in leadership theories as depicted in his "culture-enveloping model of leadership".

This chapter also explored the entry of Black, Coloured, Indian, and female employees into organisations as a key factor in the cultural diversity challenges facing leadership in the South African context. Chemers and Murphy (1995) noted that these types of changes do not only result in a more diverse workforce, but also in a more diverse leadership group. Various challenges that are prevalent when leading a diverse workforce were discussed. These related to changed power dynamics between employees, acknowledging a multitude of diverse opinions, the necessity of leadership empathy to create trust in this workforce, the trap of tokenism, and the challenge of getting all employees to participate in decision making, and organisational challenges.

The ability to lead a diverse workforce effectively is not just a South African dilemma, but prevalent in most global organisations. Three organisational strategies that global organisations utilise to manage cultural diversity were briefly discussed. The first strategy ignores cultural differences, the second sees culture as a problem or threat, and the third strategy interprets culture as an opportunity to leverage the company's competitive advantage (Schneider & Barsoux, 2003).

This chapter was concluded with a discussion of Western leadership approaches and the growing awareness that South African leadership approaches should incorporate and recognise Afrocentric leadership values (as depicted in *ubuntu*, or the philosophy of African humanism), which are consistent with the South African environment and cultural values. Lessem's (1994) "four worlds" model attempts to incorporate the management approaches of the Northern hemisphere (North America and Europe), the Afrocentric approach and the management approaches of the Eastern nations to utilise diversity effectively and to improve productivity within the South African context. Booysen (1999) recommended a holistic and systemic approach in the transformation process to value both Afrocentric and Eurocentric leadership approaches by changing organisational practices, procedures, systems, strategies, leadership, as well as individual mental models, attitudes, and values.

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The research methodology, procedures, and statistical techniques that were utilised in this study to investigate the impact of core and peripheral values and their relationship to transformational leadership attributes of South African managers will be reviewed in Chapter 5.

CHAPTER 5
RESEARCH METHODOLOGY

INTRODUCTION

The aim of this chapter is to describe the research procedures of the present study. Firstly, methodological implications in cross-cultural research are discussed, after which an explanation of the sample and the way in which the results were obtained are presented. This is followed by a description of the nature and development of the various measuring instruments used in the multi-measure questionnaire. The Societal Questionnaire developed by Project-GLOBE (Hanges & Dickson, 2004; House et al., 1999; House & Hanges, 2004) and adapted by Booysen (1999), was used to measure cultural values. The MLQ was used to evaluate managers on Bass and Avolio's Full Range Model of Leadership (1997), while the Core and Peripheral Cultural Values Questionnaire that was developed for this study was used to examine the possibility of core and peripheral cultural values. The chapter is concluded with a description of the statistical procedures used in the analyses of the data, as well as a description of the research objectives.

RESEARCH DESIGN

Methodological Implications in Cross-Cultural Research

The South African society is complex and sub-culturally heterogeneous (cultural, racial, ethnic origin, political history, educational level, socio-economic status, occupations, gender, age, and so forth). In heterogeneous societies, samples should either be representative of the national population or consist of specific "organizations which are by their very nature multisocietal" (Hofstede, 1980, p. 38). This word of advice referred to the danger of inferring that culture is the root cause of all cross-cultural differences, a fundamental methodological issue in cross-cultural research.

Dorfman (1996) also appealed to researchers to consider the impact of a multitude of other factors, including technological, political, social, economic, and organisational contingency factors when interpreting their data. All of these factors present rival explanations that need to

be ruled out when cultural differences are indicated as causes. Researchers can avoid this epistemological trap by careful selection of comparable cross-national samples. Although perfectly matched samples are in all probability not viable, researchers should try their utmost to create sample equivalence on the important variables that need to be matched.

The present study did not investigate cultural differences between national cultures, but between sub-cultures within the same national culture. This ruled out rival explanations referring to different political, economic, and macro-environmental factors. The cultural level and gender of respondents were controlled by including members of both genders of all four sub-cultural groups in South Africa: Black, Coloured, White and Indian. Furthermore, all of the respondents were junior and middle managers in three organisations within the financial services sector. The first was one of the four large banks, the second a smaller bank, and the third an insurance company. Due to the control over the important variables in the study, the possibility of rival explanations has been limited to a degree.

Establishment of Equivalence

Before justifiable comparisons could be made across cultures, it is imperative to create equivalent bases upon which such comparisons could be based. Methodologists constantly refer to four types of equivalence, namely functional, conceptual, linguistic, and metric equivalence. The discussion of the four types of equivalance below, is based on the views of Dorfman (1996) and Lonner (1979).

Functional equivalence is essential for an understanding of the emic-etic distinction that is discussed later in this chapter, and refers to an approach which compares the functions of practices and customs at the cultural level, rather than the practices or customs themselves. The appointment of employees in organisations is viewed as an organisational practice that occurs cross-culturally. However, a non-critical acceptance of this practice as a basis for making comparisons between cultures may be flawed. Something like nepotism might be interpreted as nothing else but nepotism, but in another culture this practice might be viewed as corruption, and in still another as in-group responsibility.

Conceptual equivalence refers to meanings that individuals attach to stimuli such as test items and specific words, and it is within this framework that so called “culture-free” psychometric testing is often questioned. As such, cross-cultural researchers should ensure that behaviour observed or measured within different cultures should not be interpreted without additional contextual information. If conceptual equivalence is not addressed by researchers, especially during the planning and design phases of cross-cultural studies, it is possible that research results might show differing factor structures of questionnaires when they are administered in different cultures.

Lonner (1979) described *linguistic equivalence* as a variant of conceptual equivalence, referring to both spoken and written language approaches when doing comparative research. It involves questionnaires, interviews, and instructions given during research. However, linguistic equivalence is not necessarly achieved by translating words and assuming that the meanings would be the same. Equivalence can only be assured through the use of rigorous procedures, such as back-translation.

Metric equivalence requires that numerical values must measure the same magnitude of a specific construct, regardless of the population being studied. If individuals in comparative cultures obtained different scores on a specific questionnaire, any comparisons drawn from the data may be erroneous in the absence of confirmation that the questionnaire is metrically equivalent. There are three possible interpretations of score difference between comparative cultures, namely the differences are real and conclusive, the test measures qualitatively different aspects of a particular construct, or the test measures quantitatively different aspects of a particular construct. Furthermore, serious problems of metric equivalence exist if research findings show differing factor structures of questionnaires when they are administered in different cultures. Strategies such as factor analysis and item response theory performed on questionnaires in different cultures to assess the internal structure coherence of the data, could be utilised to address measurement equivalence. Another technique to test for functional equivalence is to investigate whether inter-correlation matrices between groups of variables show equal values for the cultures being compared.

Measurement equivalence aspects of the questionnaires used in this study have been addressed during the development and validation of the questionnaires and both these questionnaires have also been standardised on comparable South African samples (Bass & Avolio, 1997; Booysen, 1999; House & Javidan, 2004).

Etic-Emic Distinction

Having addressed the above-mentioned issues of equivalence, the emic-etic distinction is the most recurrent methodological concern facing cross-cultural researchers. If the etic-emic distinction is conceptualised as a bipolar continuum, an etic construct in its extreme form refers to the universal aspects of a culture. An emic construct, on the other end of the continuum, refers to a unique aspect of a culture, sharing nothing in common with other cultures (Dorfman, 1996; Lonner, 1979). Table 3 presents characteristics of the etic-emic distinction, as summarised by Lonner (1979, p.19):

Table 3 Characteristics of etic-emic distinction

	ETIC	EMIC
Number of cultures studied	As many cultures as possible — for statistical generalisation purposes.	Only one culture at any given time. Generalisations to other cultures not considered nor desired.
Perspective taken by researchers	Behaviour of individuals in one or more cultures are studied by a researcher who is not a member of the culture(s) being studied.	Behaviour of individuals only studied from within a culture by a researcher who is intimately familiar with that culture.
Structure or constructs guiding research	Created by the researcher or paradigm he/she follows and imposed onto the systems being studied.	Discovered by researcher when and if they manifest themselves as important in a specific culture.
Criteria against which to compare behaviour in culture(s)	Absolute or universal.	Relative to only one culture.

Dorfman (1996) argued that cultural differences can often be understood by analysing cross-cultural generalities that were determined through etic research. Statistical analyses performed on constructs within each culture, may indicate how a specific culture does not fit the originally conceptualised etic construct. As such, etic or comparative research approaches could lead to discovering both cultural differences and similarities between various cultures. An inherent problem of the etic approach is that important aspects that are culturally unique may be overlooked, whereas emic or in-depth intra-cultural studies may lead to findings of behaviour that are difficult for outsiders to understand. A purely etic approach, therefore, might lose sight of the uniqueness of a specific culture, while a pure emic approach would restrict the description of general principles. Both the etic and emic aspects of the sub-cultures involved in the present study were investigated within the quantitative paradigm.

Unit of Analysis

As discussed in Chapter 2, a number of authors (Bond, 1997; Dorfman and Howell, 1988; Ferdman, 1995; Hofstede, 1980a, 1980b, 1991; House & Hanges, 2004; Schwartz, 1999) warned cross-cultural researchers against the ecological fallacy when interpreting cultural values, this fallacy being the assumption that something that is true at the group level is true for every individual of that group. Hofstede (1980a) also mentioned another type of uncertainty with regard to the individual and the ecological level which he labelled the "reverse ecological fallacy". This fallacy occurs when researchers compare cultures on measures that were created for use at the individual level. House and Hanges (2004) confirmed that the Project-GLOBE research team took both the ecological and the reverse ecological fallacies into consideration when they designed the questionnaires to ensure that they measured constructs at the correct level of analysis. The unit of analysis in the present study is the sub-cultural group, Black, Coloured, Indian, and White managers.

Population and Sample

Due to the impact of organisational contingency variables on cross-cultural studies, this study was confined to the financial services sector, in order to minimise and control the influence of

such contingency variables. Booysen (1999) pointed out that this sector is, in South Africa, one of the largest and most progressive, and as such, it could be assumed that task, structural and technological variables are similar in the various organisations within this industry.

The population consisted of Black, Coloured, Indian and White, junior and middle managers of both genders in the financial services industry. The inclusion of Indian and Coloured managers not only extended the scope of Booysen's (1999) study, but also aimed to contribute to a better understanding of the cultural values and leader attributes of all four South African cultural groups.

Junior managers are defined as managers at least one level above clerical level employees, and one level below middle managers (Paterson upper and lower C-bands). Middle managers are defined as managers at least two levels above clerical levels (Paterson upper and lower D-bands) (Duvenhage, 1990). The population of junior and middle managers in the three organisations sampled in the financial services sector as in March 2003, is indicated in Table 4. These numbers were calculated using the namelists of managers provided by the three organisations.

Table 4 Population of junior and middle managers in the three organisations

	Male			Female			
	Junior Mngt	**Middle Mngt**	**Total**	**Junior Mngt**	**Middle Mngt**	**Total**	**Grand Total**
Asian	73	121	**194**	133	95	**228**	**422**
Black	75	151	**226**	63	74	**137**	**363**
Coloured	98	82	**180**	194	66	**260**	**440**
White	856	3623	**4479**	2489	1465	**3954**	**8433**
Total	**1102**	**3977**	**5079**	**2855**	**1682**	**4579**	**9658**

From Table 4 it is evident that the White group is the dominant group in this population, with White males as the majority in middle management positions, and White females as the majority in junior management positions. Due to the availability of detailed name lists

stratified according to organisation, culture group, gender, and management level, a disproportional probability sampling method was used to include comparable numbers of male and female managers within each management level per organisation belonging to the four sub-culture groups. The sample was stratified according to organisation, management level, sub-culture group, and gender, in order to ensure homogenous sub-populations from which to sample independently. Hofstede (1998) argued that it is a frequent misinterpretation in cross-cultural psychology that comparative studies between nations or cultures should be based on representative samples from the nations' or cultures' populations. If this were the case, very few comparative studies would ever be conducted, and none in less developed countries. He concluded that samples for these studies need not be representative, but should be functionally equivalent, or matched to ensure that researchers compare like with like.

According to Guy, Edgley, Arafat, and Allen (1987), disproportional probability sampling is a good predictor when strata are compared, but it is not as efficient when the purpose is to determine population characteristics. A total of 1675 managers (17.34% of the total population) were sampled and the overall return rate of the questionnaires was 28.48%. Descriptive statistics of the sample are presented and discussed in Chapter 6.

Data Collection and Procedures

The issue of informed consent as a generally accepted requirement, had to be addressed in planning the present study. The *Rules of Conduct Specifically Pertaining to the Profession of Psychology* of the South African Professional Board for Psychology (2006, Sections 89 and 90) clearly prescribe procedures in this connection. The *Publication Manual* of the American Psychological Association (2001, p. 391-392) presents comparable requirements. In collecting data for the present study it was, however, not possible to comply with rules about obtaining concent from individuals.

When the researcher negotiated with the various companies for permission to conduct the research, anonymity of respondents was a serious concern. It was agreed that the respondents would receive the questionnaire via internal mail, with a return envelope to be sent to the

reseacher without any identifying information. The various companies assured the researcher that respondents would not complete the questionnaires if a signature is required, since that they would feel that the data could be traced back to them. The key consideration is that the instructions on the questionnaire stated clearly that participation was completely voluntary. This is common practice, both here and abroad, nothwithstanding the effect of voluntarism on the constitution of samples.

Quantitative data were collected from 477 managers in the three organisations by mailing questionnaire booklets to all selected respondents. Due to various specific organisational "life-cycles", processes, procedures, and very specific requirements as to when the questionnaires could be distributed, it was not possible to distribute questionnaires in the three organisations simultaneously.

It must, however, be pointed out that the researcher struggled for the best part of a year to find institutions in this sector that were willing to participate in the present study. Due to the fact that this industry is so progressive and controlled, institutions are being overwhelmed by the number of requests for research and therefore declined to participate without even considering the content and outcomes of the research proposal.

The questionnaires were initially distributed within the three organisations from April to August 2003 and followed up with an electronic message to all the managers in the sample reminding them to complete the questionnaire if they had not yet done so. The overall response rate of 28.48% (n = 477) was in accordance with expectations, but this was achieved only when the questionnaires were redistributed to the sample of managers from September to January 2004, followed up with another electronic reminder to complete and return the questionnaires in the provided return envelope.

Respondents were requested to complete a questionnaire booklet containing the various measuring instruments. Since English is regarded as the business language in all three organisations, and since the unit of analysis was managers, it was assumed that all participants could understand English. Consequently the questionnaires were only provided in English.

Since completed questionnaires came in until March 2004, the coding and capturing of data were done from April to June 2004. Data analysis followed in September 2004.

Measuring Instruments

Biographical Questionnaire

A biographical questionnaire was developed to suit the needs and goals of the present study. The following biographical variables were included in this questionnaire: age, gender, sub-culture group, qualifications, managerial level (junior or middle management), exposure to any formal training in Western management practices, total number of years full-time work experience, and number of years/months functioning at managerial level.

Societal Questionnaire

This questionnaire requested respondents to indicate their observations regarding their culture with respect to the cultural dimensions discussed in Chapter 2. The questionnaire was developed and validated by Project-GLOBE in the first and second phases of that study, as an international, cross-cultural study conducted on middle managers from the financial, telecommunications, and food-processing industries worldwide (Hanges & Dickson, 2004; House et al., 1999; House & Hanges, 2004). Booysen (1999) described that the questionnaire scales were cross-validated, refined, and revised based on interviews, Q-sorts, focus groups, and feedback from researchers on the international project team. This also included feedback from South Africa, Zimbabwe, Namibia, and Zambia. The South African sample was also included in the first pilot test.

According to House et al. (1999), the Project-GLOBE scales have sound psychometric properties, which suggest that the scales could be used to measure differences between cultures, both in terms of societal and organisational phenomena. During the development of the Project-GLOBE questionnaire scales, organisational and societal culture items were written for the cultural dimensions discussed in Chapter 2. The initial item pool consisted of

371 societal and organisational culture items that were generated through interviews and focus groups conducted in several countries. The items were written as quartets with isomorphic structures for the Organisational and Societal Questionnaire and across two culture manifestations — Practices (as is) and Values (should be), Organisational (as is), Organisational (should be), Societal (as is), and Societal (should be) (Hanges & Dickson, 2004; House & Hanges, 2004).

Booysen (1999) obtained permission to adapt the Project-GLOBE Societal Questionnaire to measure sub-cultural differences within the same national culture, as opposed to the Project-GLOBE questionnaire which measures values between national cultures. The adaptation was minor and, in essence, implied that where the terms "my culture" or "this society" was used, they were substituted with "my subculture". The instructions of the Project GLOBE Societal Questionnaire were also adapted to instruct respondents to answer the questions from their own gender and sub-cultural frame of reference and not from a national South African frame of reference.

This adapted scale was utilised in the present study, and just like Booysen (1999), also excluded the "should be" scale. The reasons for this were that the focus was on the current state and not the future state, and that the "as is" and "should be" scales were supplementary and could be administered independently. The adapted questionnaire was validated for use in the South African study (Booysen, 1999). Items were measured on two variations of a 7-point Likert scale. The one type had behavioural anchors linked to the different values, and the other ranged from "Strongly Agree" to "Strongly Disagree", as in the following examples.

In my sub-culture people are generally:

Very sensitive toward others						Not at all sensitive toward others
1	2	3	4	5	6	7

In my sub-culture people are generally very sensitive toward others.

Strongly agree			Neither agree nor disagree			Strongly disagree
1	2	3	4	5	6	7

The cultural value dimensions (see Chapter 2 for detailed discussions), as well as examples of questionnaire items for each of the dimensions are presented below. On all subscales, a high score indicates a high degree of the characteristic concerned. A high score on the Individualism/Collectivism dimension indicates a high degree of Collectivism.

Uncertainty Avoidance refers to the degree to which a culture prefers structured over unstructured situations, for instance, "In my sub-culture, orderliness and consistency are stressed, even at the expense of experimentation and innovation."

Gender Egalitarianism refers to the extent to which a society minimises gender role differences, for instance, "In my sub-culture, boys are encouraged more than girls to attain a higher education."

Assertiveness refers to the degree to which individuals in societies are confrontational, assertive or aggressive in interpersonal relationships, for instance, "In my sub-culture, people are generally dominant."

Future Orientation refers to the extent to which a society encourages and rewards either future-oriented or present/past oriented behaviours, for instance, "In my sub-culture, more people live for the present than live for the future."

Power Distance refers to the degree of inequality among people that is considered normal within a culture. An example of an item in this sub-scale is, "In my sub-culture, a person's influence is based primarily on the authority of one's position."

Individualism/Collectivism refers to the degree to which a society encourages and rewards individualistic or collectivistic behaviour, for instance, "In my sub-culture, leaders encourage

group loyalty even if individual goals suffer" (Collectivism I); and "In my sub-culture, aging parents generally live at home with their children" (Collectivism II).

Humane Orientation refers to the degree to which individuals in societies encourage and reward other individuals for being fair, altruistic, friendly and caring, for instance, "In my sub-culture people are generally very concerned about others."

Performance Orientation refers to the extent to which a society encourages and rewards members for performance improvement and excellence, for instance, "In my sub-culture, teen-aged students are encouraged to strive for continuously improved performance."

Although Hanges and Dickson (2004) and House and Hanges (2004) stated that the Societal Questionnaire is psychometrically sound, a series of tests were performed on the data to test the psychometric functioning of the questionnaire in the present study. The results are presented and discussed in Chapter 6.

Multifactor Leadership Questionnaire (MLQ)

The MLQ was originally developed to evaluate leaders on Bass and Avolio's Full Range Model of Leadership. The questionnaire contains forty-five items that measure "key leadership and effectiveness behaviors shown in prior research to be strongly linked with both individual and organizational success" (Bass & Avolio, 1997, p. 11). The factors included in the MLQ were conceptually and empirically derived from two studies, which have maintained almost the same structure in various studies utilising the questionnaire. Each of the leadership dimensions are measured by four highly inter-correlated items that are low in correlation with items of the other dimensions. Various versions of the MLQ have been utilised extensively in various organisations in countries throughout the world since 1985 and have undergone several revisions as more information became available regarding transformational, transactional, and laissez-faire leadership (Bass & Avolio, 1997).

A five-point rating scale is used to measure leader behaviour, ranging from 0 = "Not at all" to 4 = "Frequently, if not always". Data collected on the MLQ substantially support the convergent and discriminant validity of the theoretical and empirically based factors, with internally consistent scales (Bass & Avolio, 1997). Although the MLQ provides for self-assessments, as well as assessments by supervisors, peers, and subordinates, only self-assessments were utilised in this study.

The Transformational leadership dimensions that were discussed in Chapter 3, as well as examples of questionnaires for the self-assessments for each of the dimensions, are presented below. On all subscales, a high score indicates a high degree of the characteristic concerned.

Idealised Influence (Charisma) refers to leaders who are respected, hold high standards, and set challenging goals for employees. A sample item is, "I specify the importance of having a strong sense of purpose."

Inspirational Motivation refers to expressive appeals to increase awareness and understanding of mutually desirable goals. An item in this sub-scale is, "I talk enthusiastically about what needs to be accomplished."

Intellectual Stimulation is used to persuade employees to question their own values, beliefs, and assumptions, as well as those of the leader and the organisation. A sample item is, "I get others to look at problems from many different angles."

Individualised Consideration measures leaders' ability to treat employees differently but fairly on a one-on-one basis. A sample item of this sub-scale is, "I treat others as individuals rather than just as a member of a group."

The Transactional leadership dimensions that were discussed in Chapter 3, as well as examples of questionnaires for the self-assessments for each of the dimensions, are presented below. On all subscales, a high score indicates a high degree of the characteristic concerned.

Contingent Reward involves an interaction between leader and follower that emphasis an exchange of appropriate rewards when followers meet agreed-upon objectives. A sample item is, "I discuss in specific terms who is responsible for achieving performance targets."

Active Management-by-Exception measures the degree to which a leader monitors situations to ensure that mistakes are not made. A sample item in this sub-scale is, "I concentrate my full attention on dealing with mistakes, complaints, and failures."

Items in the *Passive Management-by-Exception* sub-scale measure a leader's tendency to only intervene in a process or to make a correction only when things go wrong. A sample item is, "I fail to interfere until problems become serious."

Non-leadership, where leaders avoid accepting their responsibilities, is measured by the *Laissez-Faire* dimension. An example of a questionnaire item is, "I avoid making decisions."

Core and Peripheral Cultural Values Questionnaire

Rokeach's contributions in the study of human values have significantly influenced values research since the late 1960s (Mayton et al., 1994; Schwartz & Bilsky, 1987, 1990). He argued that values are hierarchically arranged in terms of relative importance and that values do not decay or decline, but ascend or descend in the estimation of their relative importance. Consequently, individuals order values hierarchically according to their importance. Rokeach developed the Rokeach Value Survey to measure values via a ranking or ipsative process (Mayton et al., 1994).

The priorities of the cultural values can be determined by asking respondents to rank these values according to their relative importance. However, a Likert format is preferred, where respondents can indicate the extent of agreement with each statement, instead of ranking items. Values do not have to be ranked in order to be classified as core or peripheral values. Marino et al. (2000) were of the opinion that this format allows respondents to rate all items at equal value, therefore allowing for variability of responses even though the preference order

might not have varied. Furthermore, a ranking procedure yields an ordinal scale which is not suitable for parametric statistical analysis.

The possibility of core and peripheral cultural values was explored by means of a questionnaire specifically constructed for purposes of this study. Respondents were presented with the descriptions of the various cultural values mentioned below and requested to read through the descriptions of the cultural values, and with the sub-cultural group as the unit of analysis, decide how they occur in their specific sub-culture. They were then requested to indicate on a 7-point semantic differential scale with the endpoints labelled, how easy or difficult they think it would be for members of their own sub-culture group to change the specific cultural value in a changing environment. The values of this questionnaire were not named, but described. This section followed after the Societal Questionnaire where respondents had to reply to the individual items of the various cultural values. On all items, a high score indicates a high degree of difficulty to change the cultural value concerned.

The Individualism/Collectivism dimension focuses on the relation between the individual and other members of the sub-culture:

- Some sub-cultures are characterised by loose ties between the individuals and personal goals are more important than group goals.
- Other sub-cultures are characterised by strong ties between the individuals where the interest of the group takes precedence over the individual member's interests. In these cultures, individuals are part of a strong, interconnected in-group from birth onwards.

Gender Egalitarianism and Assertiveness describes the degree to which a sub-culture minimises or maximises the division and differences between gender roles:

- In some sub-cultures gender roles are clearly distinct inasmuch as men are supposed to fulfil certain roles (often outside the home), while women are supposed to fulfil other roles (often inside the home). These sub-cultures often also support assertiveness, competition and achievement.

- In other sub-cultures there is a high degree of gender role overlap and thus no clear distinctions or differentiation between gender roles. These sub-cultures often support quality of life, caring for the weak, modesty, and a preference for relationships.

Uncertainty Avoidance focuses on how a sub-culture copes with change, and the uncertainty that change provokes:

- Some sub-cultures favour structured organisations with many rules and regulations which create a less confusing environment.
- Other sub-cultures accept uncertainty, and prefer unstructured environments without constricting rules and regulations.

Power Distance relates to the degree to which sub-cultures maintain inequality among their members by differentiating individuals and groups based on power, authority, prestige, and status:

- Some sub-cultures try to minimise inequalities; power is distributed equally and leadership is less autocratic, while members are more empowered.
- Other sub-cultures are characterised by greater acceptance of inequalities; leadership is more autocratic and there is a greater centralisation of authority.

Future Orientation focuses on how a specific sub-culture perceives time:

- In some sub-cultures, living in the present, immediate action and gratification, spontaneity, and living for the moment are valued.
- In other sub-cultures, investing in the future, and preparing for future events are encouraged. Emphasis is put on effective planning, forecasting and saving.

Humane Orientation refers to a sub-culture's orientation towards individuals:

- In some sub-cultures societal norms and laws protect the unfortunate, and there is a lack of discrimination against minorities.
- In other sub-cultures, wealth is concentrated in the hands of a few individuals; there is widespread poverty and discriminatory practices against minorities.

Performance Orientation describes the degree to which a sub-culture emphasises the importance of individual achievement:

- In some sub-cultures the emphasis is on education, encouragement of moderate risk taking, and reward for achievements and entrepreneurial behaviour.
- Other sub-cultures are concerned mainly with tradition, convention, "protection of face", and reward for artistic achievement.

DATA ANALYSIS

The data analysis was done using descriptive statistics, reliability analysis (Cronbach's alpha), factor analysis, correlations, effect size, *t* test for independent samples, and analysis of variance.

Descriptive statistics of the sample on the various measures for the dependent and independent variables were obtained to gain insight into their nature. These statistics included minimum and maximum scores, means, and standard deviations.

The internal consistencies of the measuring instruments were calculated by means of Cronbach's (1951) coefficient alpha. It measures the internal consistency or homogeneity of a measuring instrument. According to Aron and Aron (1994), calculating Cronbach's alpha divides the test up into halves in all possible ways and computes the correlation using each division, then averages these divisions.

The Pearson product-moment correlation coefficient is used to describe the linear relationship between two variables that are both either interval or ratio variables. In this study, correlation was used to calculate correlations between the subscales of the various measuring instruments. The possible relationships between the cultural values and leadership were also explored by means of correlation (Heiman, 1992).

The construct validity of the measuring instruments was determined by means of factor analysis, which is a statistical technique applied to a single set of variables to uncover the latent structure (dimensions) of a set of variables that are relatively independent of one another. It reduces a larger number of variables to a smaller number of factors, and is therefore used to validate a scale or index by demonstrating that its constituent items load on the same factor, as well as to drop proposed scale items which cross-load on more than one factor. Rotation of factors is a process by which the output is made more understandable without changing the underlying mathematical properties. This is usually necessary to facilitate the interpretation of factors. There are two classes of rotation: orthogonal and oblique. Oblique rotation (direct quartinum) was used in this study (Tabachnick & Fidel, 1996).

Tests of significance indicate whether a non-chance relationship between variables is likely, but they do not indicate the magnitude of the relationship. "Consequently, it is inappropriate to imply a large effect or use the phrase 'very significant' when the exact probability of a calculated value is very small" (Abrami, Cholmsky, & Gordon, 2001, p. 212). According to Henson and Smith (2000), the use of the term "statistical significance" could be confused with the meaning of the term "important". Results that are statistically significant could over time be regarded as important. A consequence of significance testing is that non-significant relationships are often indicated for seemingly large effects between means, when the sample size is small. Conversely, significant relationships could be indicated for very small effects between means when the sample size is large.

The effect size, represented by the symbol *d*, gives an indication of the magnitude of the relationship between the dependent and independent variables, or the practical importance of the relationship. Effect sizes are categorised according to their magnitude:

- An effect size around 0.20 is a small effect. The implication of this in new research is that the research should be replicated to determine whether there is an effect or whether the result is practically non-significant.
- An effect size around 0.50 is a medium effect. This implies that the result is detectable and might indicate practical significance.
- An effect size around 0.80 is a large effect, which means that the results are practically significant and therefore of practical importance (Abrami, Cholmsky, & Gordon, 2001; Henson & Smith, 2000; Steyn, 1999).

The *t* test was used to compare the results of the current study with those obtained by Booysen (1999).

The purpose of analysis of variance is to test for statistically significant differences between the means of more than two different groups. It is used to uncover the main and interaction effects of independent variables on a dependent variable. A main effect is the direct effect of an independent variable on the dependent variable, while an interaction effect is the joint effect of two or more independent variables on the dependent variable.

The statistic that forms the basis for ANOVA is the *F* test of difference of group means, testing whether the means of the groups formed by values of the independent variable are different enough not to have occurred by chance. If the group means do not differ statistically significantly it is assumed that the independent variables did not have an effect on the dependent variable. If the *F* test shows that group means of the independent variables differed significantly, a second statistical procedure, called *post hoc* comparisons, is done to explore which means differed statistically significantly. In this study, post hoc comparisons were done using least square means (LSM) (Heiman, 1992; Tabachnick & Fidell, 1996).

RESEARCH OBJECTIVES

The first objective of the present study was to examine cultural differences and similarities between managers in the financial services sector belonging to the four South African sub-cultural groups (Black, Coloured, White, and Indian), and between South African male and female managers. The inclusion of Coloured and Indian, male and female managers in South African organisations did not only extend the scope of Booysen's (1999) study, but also aimed at contributing to a better understanding of the cultural values and leader attributes of all four South African sub-cultural groups.

Even though Booysen (1999) found significant differences between the White and Black groups on seven of the eight cultural value dimensions, it was pointed out in Chapter 2 that individual members of the same cultural groups in culturally plural societies may vary regarding their cultural values, due to the process of acculturation. It was also mentioned that new knowledge and roles could be acquired quickly without affecting individual values, resulting in group members being highly acculturated in one aspect of life (knowledge and practises) and not in others (values, beliefs, and so on). The level of acculturation may fluctuate according to individual and group need, as well as opportunities for integration of other cultures' values (Marino, Stuart & Minas, 2000).

House et al. (1999) maintained that the Project-GLOBE theory does not account for possible cultural changes as a result of exposure to international media, ever-increasing cross-border commerce in the global village, or any other form of cross-cultural interaction. South Africa is a culturally plural society, and since 1994 the different cultural groups have increasingly and less superficially been interacting with each other on a daily basis, especially in the work environment. It follows that individual members of cultural groups will display various degrees of behavioural and psychological acculturation. Since value systems change more slowly than the visible parts of culture, such as practices, language, and so forth, a second objective was to examine whether cultural values change indiscriminately during the acculturation process or whether possible peripheral cultural values change more easily or before possible core cultural values.

A further objective of this research was to ascertain whether the differences and similarities of the cultural values of White and Black, male and female managers changed since 1998, when Booysen's data were collected, possibly as a consequence of socio-political changes taking place in South Africa.

In addition, Project-GLOBE identified 21 specific leader attributes that are universally endorsed as contributing to an effective leadership style. Eleven of these 21 identified attributes were part of the Charismatic/Transformational leadership dimension (den Hartog et al., 1999; House et al., 1999). Booysen (1999) used the Leader Attribute Questionnaire, as developed by Project-GLOBE, to assess the degree to which a particular leader attribute contributes to outstanding leadership in the South African context. This questionnaire is not a self-report measure, but asks respondents to indicate the attributes they think distinguish highly effective leaders from others. This is in contrast to the self-report MLQ developed by Bass and Avolio, which was used in the present study. The fourth objective of this study was thus to explore the differences and similarities of South African managers on Bass and Avolio's Full Range Model of Leadership, specifically transformational leadership, as measured by the MLQ, as well as possible interactions between the various cultural value dimensions and this leadership model (Avolio & Bass, 1999; Bass, 1985, 1997).

CONCLUDING REMARKS

This chapter highlighted methodological implications when doing cross-cultural research, especially in such a complex and culturally heterogeneous society as South Africa. It was also pointed out that rival explanations were controlled for by the thorough selection of equivalent cross-cultural samples. Due to the importance of creating equivalent bases upon which justifiable comparisons can be made across cultures, four types of equivalence — functional, conceptual, linguistic, and metric — were discussed. Since the emic-etic distinction is one of the most persistent methodological concerns facing cross-cultural researchers, a discussion of this topic in the present context was also included.

A number of cross-cultural researchers cautioned against the ecological fallacy when interpreting cultural values by assuming that something that is true at the group level, is true for every individual of that group. As such, the cultural group was confirmed as the unit of analysis of this study. The study was confined to the financial services sector, not only to minimise and control for the influence of contingency variables, but also because this industry is considered as one of the largest and most progressive in the South African context.

It was pointed out that data collection started in April 2003 and continued until March 2004. The organisations that participated in the study had specific organisational life-cycles and a multitude of other processes, and therefore had very specific requirements as to when the questionnaires could be distributed. It was therefore not possible to distribute the questionnaires in the three organisations simultaneously.

The various research instruments that were included in the multi-measure questionnaire utilised in the study were discribed, after which the statistical procedures used in the analysis of the data were described. The chapter was concluded with a description of the research objectives.

The results obtained in the study will be presented in Chapter 6.

CHAPTER 6
RESULTS

INTRODUCTION

The results of the quantitative data obtained by means of the Biographical Questionnaire, the Societal Questionnaire, the Core and Peripheral Cultural Values Questionnaire, and the MLQ, are presented in this chapter. The presentation of results commences with the descriptive statistics of the sample after which the psychometric functioning (reliability and construct validity) of the measuring instruments is discussed. This is followed by descriptive and exploratory statistical analysis of the aggregated responses obtained on all the measuring instruments of the total sample — across management level, gender and cultural group. The means obtained with the three measuring instruments, the dependent variables, were compared with the independent variables by means of ANOVAs, namely the various sub-culture groups, gender, age, educational level, management level, number of years full-time work experience, number of years experience as manager, exposure to formal western management training, and possible interactions between the independent variables. In cases where reliable differences were found, *post hoc* comparisons were done, using least square means.

DESCRIPTIVE STATISTICS OF SAMPLE

As discussed in Chapter 5, a total of 1675 managers were sampled in this study. The obtained sample of 477 managers consisted of junior (49.90%) and middle managers (50.10%) in the financial services sector in South Africa representative of members of four sub-culture groups — 27.88% Black, 23.48% Coloured, 26.21% Indian, and 22.43% White (Table 5). The distribution of junior and middle managers within the Black and Indian group were almost equal, whereas the Coloured group consisted of slightly more junior managers (59.82% junior managers and 40.18% middle managers) and the White group of somewhat more middle managers (41.12% junior managers and 58.88% middle managers). Furthermore, 28.57% of all junior managers in the sample were Black, compared to 28.15% Coloured, 24.79% Indian,

and 18.49% White. The spread within the middle management group was more equal, with 27.61% Indian, 27.20% Black, 26.36% White, but only 18.83% Coloured.

Based on the data provided in Table 6, 51.36% of the sample were male and 48.64% were female. Within the male group, 32.24% were Black, compared to 26.53% Indian, 20.82% White and 20.41% Coloured managers. The female group consisted of 26.72% Coloured, 25.86% Indian, 24.14% White, and 23.28% Black managers.

Table 5 Management Level versus Culture

		Black	Coloured	Indian	White	TOTAL
Junior Management	*Frequency*	68	67	59	44	238
	% Total	14.26	14.05	12.37	9.22	49.90
	Row %	28.57	28.15	24.79	18.49	
	Column %	51.13	59.82	47.20	41.12	
Middle Management	*Frequency*	65	45	66	63	239
	% Total	13.63	9.43	13.84	13.21	50.10
	Row %	27.20	18.83	27.61	26.36	
	Column %	48.87	40.18	52.80	58.88	
TOTAL		133	112	125	107	477
		27.88	23.48	26.21	22.43	100

Table 6 Sub-culture Group versus Gender

		Black	Coloured	Indian	White	TOTAL
Male	*Frequency*	79	50	65	51	245
	% Total	16.56	10.48	13.63	10.69	51.36
	Row %	32.24	20.41	26.53	20.82	
	Column %	59.40	44.64	52.00	47.66	
Female	*Frequency*	54	62	60	56	232
	% Total	11.32	13.00	12.58	11.74	48.64
	Row %	23.28	26.72	25.86	24.14	
	Column %	40.60	55.36	48.00	52.34	
TOTAL		133	112	125	107	477
		27.88	23.48	26.21	22.43	100

The age distribution of the total sample per sub-culture group is graphically presented in Figure 6, the distribution of educational level per sub-culture group is presented in Figure 7, while the respondents' exposure to formal management training is presented in Figure 8. The distribution of total number of years work experience and total number of years as manager per culture group are respectively illustrated in Figures 9 and 10.

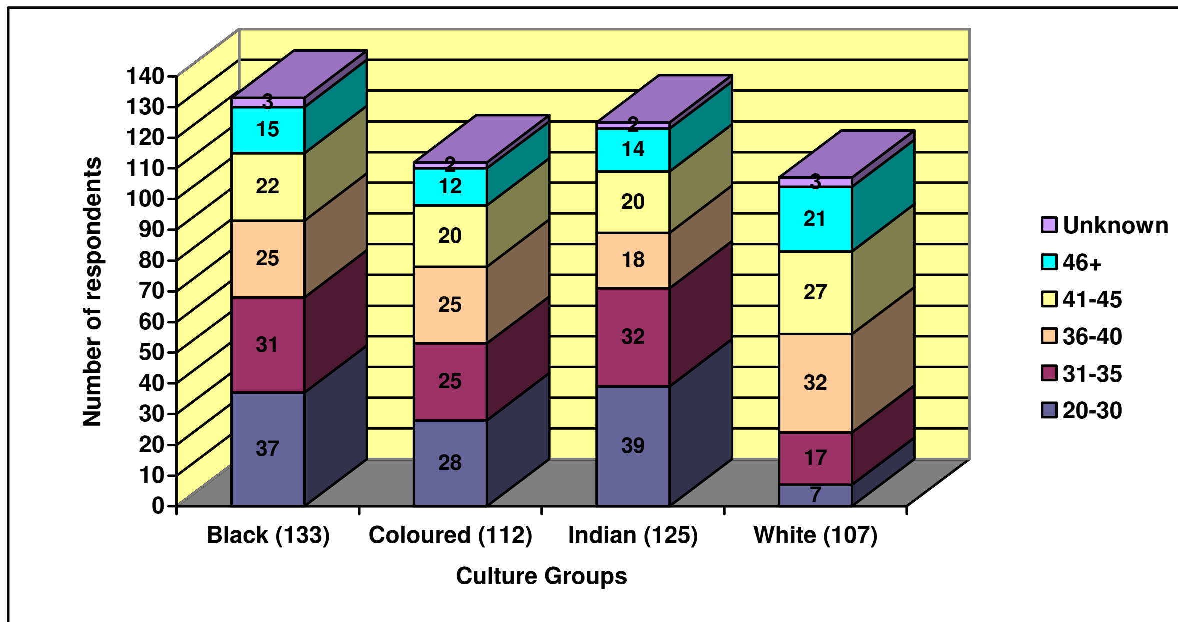

Figure 6 Distribution of Age per Sub-culture Group (Total Sample)

According to Figure 6, 51.13% of managers of the Black sample were 35 years and younger, compared to 47.32% of the Coloured sample, 56.8% of the Indian sample, and only 22.43% of the White sample. In contrast, 55.14% of managers of the White sample were between 36 and 45 years of age, compared to 30.40% of the Indian sample, 40.17% of the Coloured sample and 35.34% of the Black sample. The Employment Equity Act 55, of 1998 and the ensuing implementation of affirmative action programmes in South African organisations, which placed focus on the promotion and appointment of previously disadvantaged Black, Coloured and Indian managers, may be a possible explanation for the younger age distribution in these groups (Black $\overline{x}$ = 35.87, Coloured $\overline{x}$ = 36.59, and Indian $\overline{x}$ = 35.59). This is in contrast to the White group ($\overline{x}$ = 40.73), where current managers have often been appointed or promoted before the implementation of affirmative action programmes.

According to the Employment Equity Act, affirmative action measures are intended to ensure that suitably qualified employees from designated groups (Black, Coloured, and Indian) have equal employment opportunities and are equitably represented in all occupational categories and levels of the workforce. Affirmative action measures include the identification and

elimination of barriers with an adverse impact on designated groups; the implementation of measures which promote diversity; development and training of designated groups (including skills development); and preferential treatment and numerical goals to ensure equitable representation.

Based on the information portrayed in Figure 7, the majority of Black managers (60.12%) and Indian managers (51.20%) in the sample obtained tertiary qualifications, while the majority of Coloured managers (53.57%) and White managers (42.99%) reported as having a Grade 12 (Matric) qualification. Additionally, 24.11% of Coloured managers, 21.80% of Black managers, 16.00% of Indian managers and 14.95% of White managers completed Banking industry qualifications. Only 31.03% of the total sample (Figure 8) had been exposed to formal Western management training.

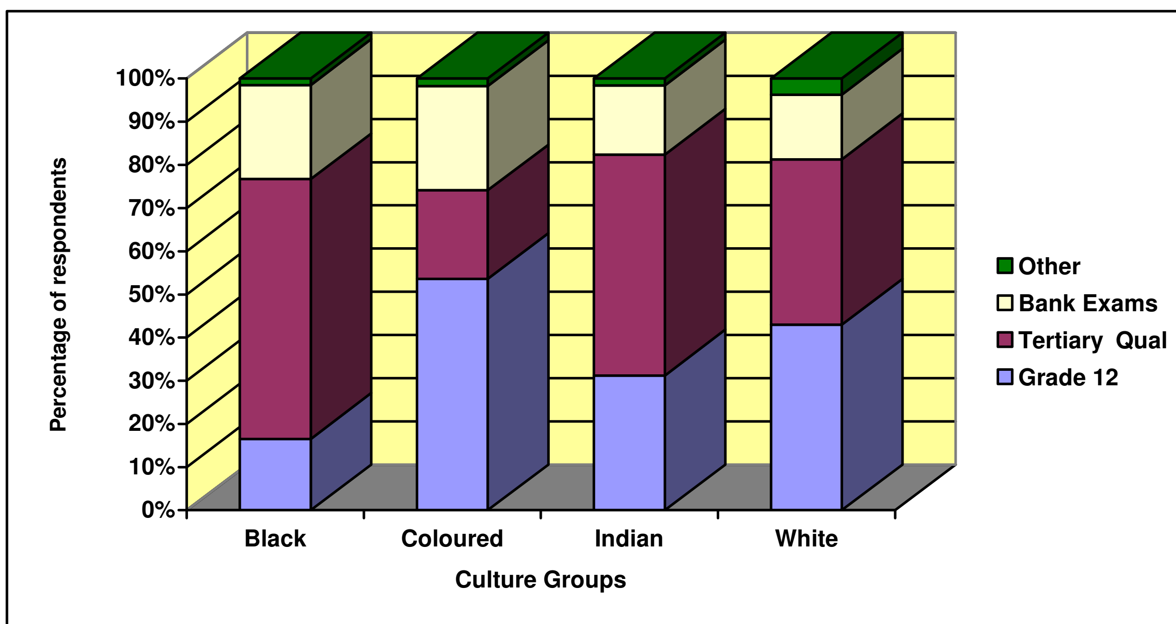

Figure 7 Distribution of Educational level (%) per Sub-culture Group (Total Sample)

More than half (52.63%) of the Black managers, 37.60% of the Indian managers and 32.14% of the Coloured managers had less than ten years full-time work experience, compared to only 13.08% of the White managers (Figure 9). In contrast to this, 66.36% of the White managers

had more than 16 years full-time work experience, compared to the 47.32% of the Coloured managers, 38.40% of the Indian managers, and only 26.32% of the Black managers. Black managers had an average of 11.89 years full-time work experience, compared to 15.78 years for Coloured managers, 14.24 years for Indian managers and 19.71 years for White managers.

Due to the fact that more than half of the Black managers were 35 years and younger (Figure 6) and had less than ten years full-time work experience (Figure 9), it is not surprising that 82.71% of the Black managers had less than ten years managerial experience (Figure 10). This trend was also true for the Indian managers (80.80%) and the Coloured managers (79.46%), whereas only 57.94% of the White managers had less than 10 year's managerial experience. Black managers had an average of 4.65 years managerial experience, compared to 4.98 years for Coloured managers, and 5.12 years for Indian managers. This is in contrast to an average of 9.36 years for White managers.

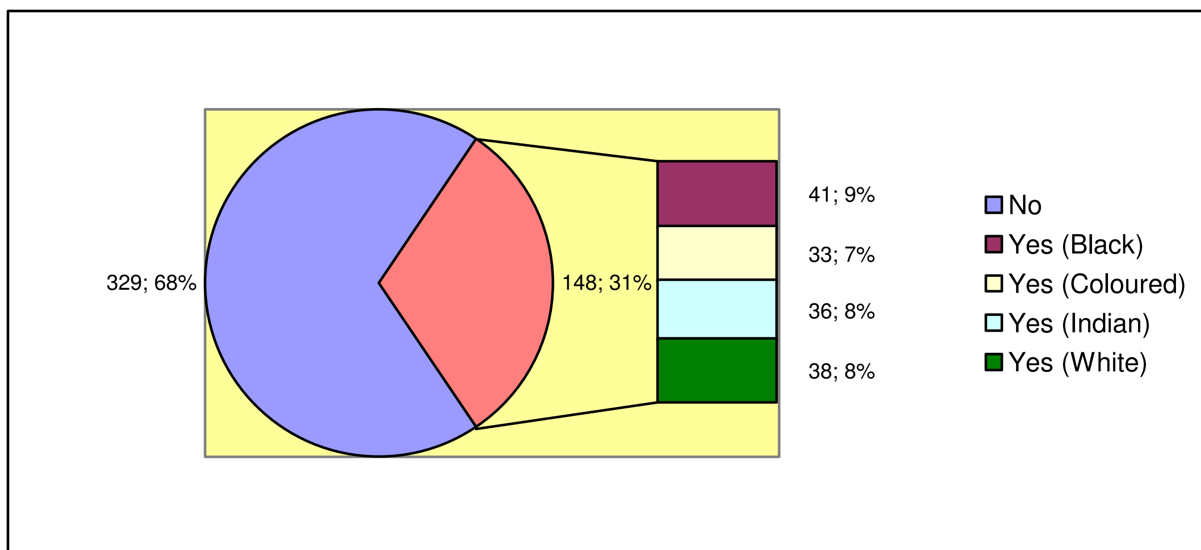

Figure 8 Exposure to Formal Western Management Training (%) per Sub-culture Group (Total Sample)

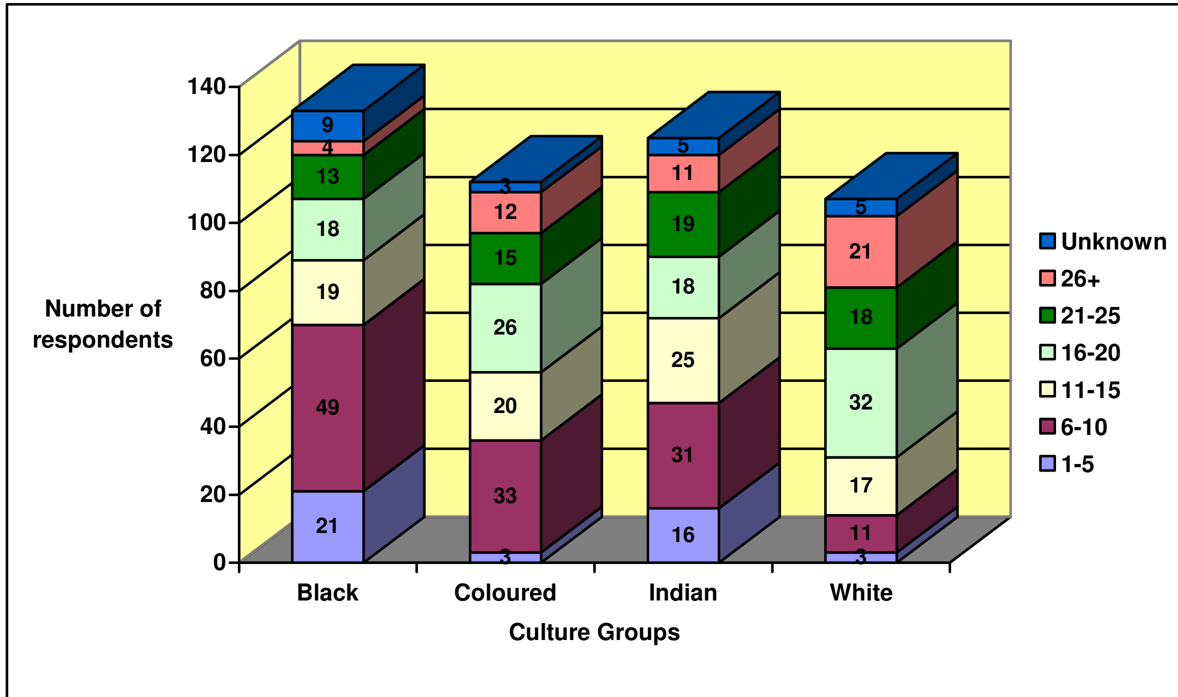

Figure 9 Distribution of Total Years Full-Time Work Experience per Sub-culture Group (Total Sample)

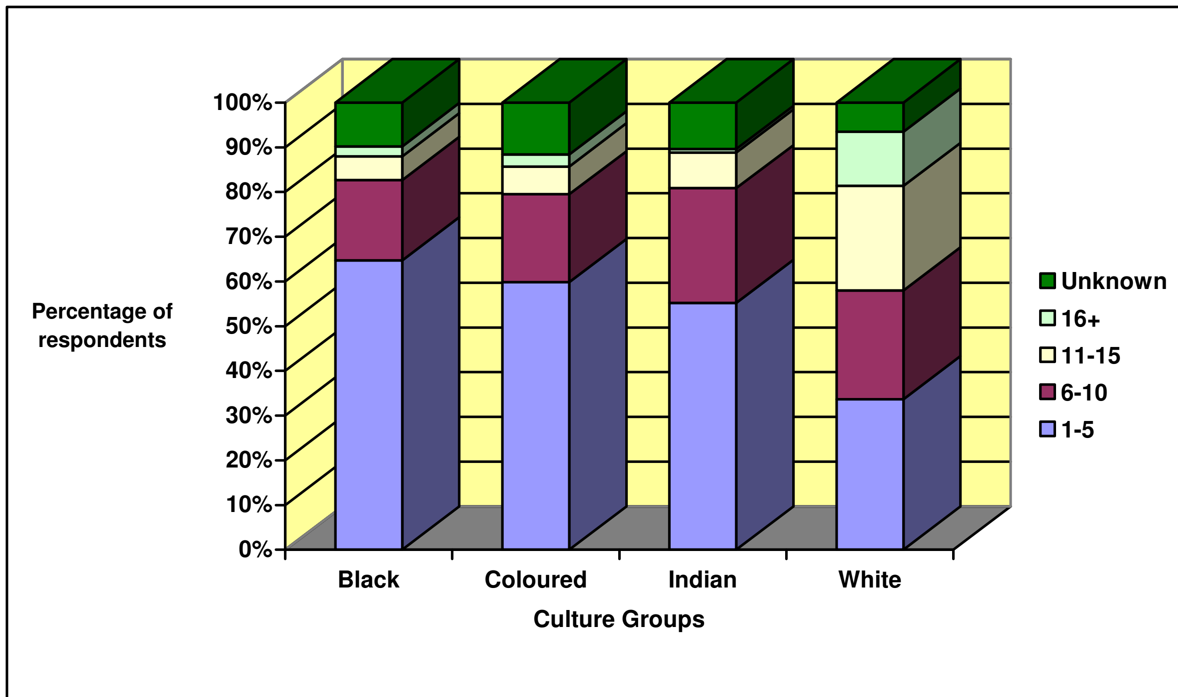

Figure 10 Distribution of Years as Manager (%) per Sub-culture Group (Total Sample)

PSYCHOMETRIC PROPERTIES OF MEASURING INSTRUMENTS

The construct validity and reliability of the various measuring instruments are presented to indicate the psychometric functioning of these instruments in the present study. A factor analysis was performed on each of the measuring instruments to determine construct validity, and the reliability, or internal consistency, of all the measuring instruments was assessed by means of Cronbach's coefficient alpha (Cronbach, 1951).

Construct Validity

Societal Questionnaire

Hanges and Dickson (2004) reported that two empirical pilot studies were conducted to assess the psychometric properties of the Project-GLOBE questionnaire. In the resulting analysis, a multilevel confirmatory factor analysis replicated the factor structure of the culture scales (which included the societal questionnaire). Booysen (1999) obtained permission to adapt the societal questionnaire of the Project-GLOBE questionnaire to measure cultural differences within the same national culture (as opposed to the GLOBE questionnaire which measures values between national cultures). Results were obtained with a confirmatory factor analysis that was performed at the individual level of analysis and including the total number of respondents. She reported a goodness of fit index of 0.80 and an adjusted goodness of fit index of 0.76 between the existing underlying factorial structure of the Project-GLOBE Questionnaire and the realised factorial structure of the South African sample. Booysen concluded that due to the significant indices of fit and the relatively acceptable levels of internal consistency (see discussion on reliability), the adapted version of the questionnaire could be regarded as valid and reliable. As such, it was not necessary "to explain the variables in terms of their common underlying dimensions, through exploratory or common factor analysis" (1999, p. 142).

Factor analysis (FA) with oblique rotation (direct quartinum) was performed through BMDP4M on the results obtained with the 39 items of the Societal Questionnaire for the

sample of 477 participants in the present study; after missing values were discarded, the FA was conducted on the responses of 476 participants. An initial FA extracted nine factors with eigenvalues greater or equal to one (40.2% of explained variance), although the nine factors were not theoretically interpretable. Based on the scree test, it was decided to extract six factors (35.2% of explained variance), which was also the best-interpretable solution (see Appendix A).

Factor 1 included all the items of the Humane Orientation, and most items of the Individualism/Collectivism sub-scale. According to the correlations presented in Table 7, the Humane Orientation sub-scale correlated positively with the Individualism/Collectivism sub-scale (0.55). Factor 2 consisted of all but one of the items of the Future Orientation sub-scale, while Factor 3 contained all the items of the Uncertainty Avoidance and Performance Orientation sub-scales. The Uncertainty Avoidance sub-scale also correlated positively with the Performance Orientation sub-scale (0.44) (see Table 7). Factor 4 included all the items of the Assertiveness sub-scale, and Factor 5 contained all the items of the Power Distance sub-scale. Factor 6 consisted of four of the five items of the Gender Egalitarianism sub-scale.

Only two of the six factors (Factors 1 and 3) contained items of more than one sub-scale of the Societal Questionnaire. Although the sub-scales contained in these two factors are positively correlated, distinguishing between the different components or sub-scales may remain useful for theoretical purposes. For purposes of comparability to the results of published data on Project-GLOBE, it was decided to treat the sub-scales in Factors 1 and 3 separately and to retain the original nine sub-scales of the societal questionnaire of the Project-GLOBE Questionnaire.

Table 7 Correlations between the Sub-scales of the Societal Questionnaire

	UA	A	GE	FO	PD	C	HO
Uncertainty Avoidance (UA)	1.00						
Assertiveness (A)	0.18 <0.001***	1.00					
Gender Egalitarianism (GE)	-0.14 0.003**	-0.13 0.005**	1.00				
Future Orientation (FO)	0.40 <0.001***	0.17 <0.001***	0.11 0.013*	1.00			
Power Distance (PD)	-0.02 0.691	0.03 0.466	-0.37 <0.001***	-0.19 <0.001***	1.00		
Individualism/Collectivism (C)	0.27 <0.001***	-0.23 <0.001***	-0.23 <0.001***	0.09 0.045*	0.05 0.266	1.00	
Humane Orientation (HO)	0.18 <0.001***	-0.18 <0.001***	-0.04 0.404	0.10 0.025*	-0.20 <0.001***	0.55 <0.001***	1.00
Performance Orientation (PO)	0.44 <0.001***	0.19 <0.001***	0.19 <0.001***	0.49 <0.001***	-0.34 <0.001***	0.13 0.004**	0.20 <0.001***

* $p < 0.05$
** $p < 0.01$
*** $p < 0.001$

Multifactor Leadership Questionnaire (MLQ)

Factor analysis with oblique rotation (direct quartinum) was performed through BMDP4M on 36 items of the MLQ for a sample of 477 participants. After 85 missing values were discarded, the FA was conducted on the responses of 392 participants. An initial FA extracted 11 factors with eigenvalues greater or equal to one (39.2% of explained variance) that were not theoretically interpretable. Well-interpretable solutions were provided by the two- and three-factor solutions. The two-factor solution generated an active and passive leadership factor. However, the items of the active Management-by-Exception scale loaded almost equally strong on both of these factors. The three-factor solution (24.3% of explained variance) yielded three factors that were almost similar to Bass' (1985) theoretical model, namely a Transformational, Transactional, and Laissez-Faire or Passive-Corrective factor (see

Appendix B). Due to the theoretical importance of distinguishing between the three factors, especially between the two active types of leadership (transformational and transactional), rather than only distinguishing between active and passive leadership, it was decided to use the three-factor solution in this study.

Factor 1 (Transformational Leadership Style) included all the items of the Idealised Influence (Attributes), Idealised Influence (Behaviour), Inspirational Motivation, Intellectual Stimulation, and Individualised Consideration sub-scales (Transformational Leadership sub-scales of the MLQ), as well as the items of the Contingent Reward sub-scale. Factor 2 (Transactional Leadership Style) consisted of the items of the active Management-by-Exception sub-scale and Factor 3 (Passive-Corrective Leadership Style) consisted mainly of the items of the passive Management-by-Exception and the Laissez-Faire sub-scales.

It was found by den Hartog et al. (1997) that three similar factors in a study to investigate whether the three main leadership concepts as defined by Bass (1985) could be found in the collected MLQ data of 1200 employees from eight organisations. The first factor included all the Transformational dimensions, while the second factor included the Contingent Reward and active Management-by-Exception Transactional dimensions. The third factor, or Passive Leadership, was a combination of the passive Management-by-Exception and the Laissez-Faire dimensions. This last factor referred to leadership that is either passive or, in the extreme, avoidant.

The only difference between the findings of the present study and those of den Hartog et al. (1997) is that the Contingent Reward dimension clustered with the Transformational factor and not with the Transactional factor as per Bass' (1985) theoretical model. In their study regarding women and Transformational and Contingent Reward Leadership, Yammarino et al. (1997) also found that the magnitudes of correlations between Transformational leadership and performance outcomes were similar to the correlations between Contingent Reward leadership and the same outcomes. They came to the conclusion that these two forms of leadership are similar. Avolio et al. (1999) reported on a number of researchers that questioned the split between components of Transformational Leadership from Contingent

Reward leadership. They mentioned various reasons for the positive correlations between Transformational and Transactional Contingent Reward leadership scales. The first is that both Transactional and Transformational leadership consist of active and constructive forms of leadership, secondly, that effective leaders display elements of both Transactional and Transformational leadership, and thirdly, that the honouring of agreements builds trust and perceptions of reliability and consistency among employees and their leaders. All of this contributes to the high levels of trust and respect related to Transformational Leadership. Bass (1997) also reported that numerous reported factor analysis indicated a distortion of the boundaries between Contingent Reward and Individualised Consideration. He explained this by pointing out that both involve helping followers to fulfil their needs, Contingent Reward focuses on motivating followers by means of material rewards and resources, while Individualised Consideration emphasises personal growth and recognition.

From Table 8 it is clear that the Contingent Reward sub-scale correlated positively with all four the Transformational sub-scales — Idealised Influence (0.49), Inspirational Motivation (0.46), Intellectual Stimulation (0.45), and Individualised Consideration (0.39). Furthermore, the weak positive correlation of 0.20 between the Contingent Reward and the active Management-by-Exception sub-scale and no correlation with the passive Management-by-Exception sub-scale supported the decision to cluster the Contingent Reward sub-scale with the four Transformational sub-scales.

The decision to cluster the passive Management-by-Exception sub-scale with the Laissez-Faire sub-scale, is supported by the weak correlation of 0.17 between the active and passive Management-by-Exception sub-scales and the strong positive correlation of 0.42 between the passive Management-by-Exception and Laissez-Faire sub-scale. All five sub-scales of the Transformational Leadership cluster had weak negative correlations with both the passive Management-by-Exception and Laissez-Faire sub-scale (see Table 8).

Table 8 Correlations between the Sub-scales of the MLQ.

	II	IM	IS	IC	CR	MBE-A	MBE-P
Idealised Influence (II)	1.00						
Inspirational Motivation (IM)	0.67 <0.001***	1.00					
Intellectual Stimulation (IS)	0.54 <0.001***	0.49 <0.001***	1.00				
Individualised Consideration (IC)	0.52 <0.001***	0.43 <0.001***	0.43 <0.001***	1.00			
Contingent Reward (CR)	0.49 <0.001***	0.46 <0.001***	0.45 <0.001***	0.39 <0.001***	1.00		
Management-by-Exception (Active) (MBE-A)	0.23 <0.001***	0.11 0.013*	0.11 0.021*	0.15 0.001**	0.20 <0.001***	1.00	
Management-by-Exception (Passive) (MBE-P)	-0.07 0.146	-0.11 0.014*	-0.05 0.235	-0.13 0.004**	-0.01 0.896	0.17 <0.001***	1.00
Laissez-Faire (LF)	-0.22 <0.001***	-0.29 <0.001***	-0.12 0.011**	-0.24 <0.001***	-0.18 <0.001***	-0.03 0.499	0.42 <0.001***

* $p < 0.05$
** $p < 0.01$
*** $p < 0.001$

Internal Consistency

Societal Questionnaire

The internal consistency coefficients of the sub-scales in the Societal Questionnaire are presented in Table 9. Hanges and Dickson (2004) reported Cronbach alphas for the GLOBE Societal (as is) Questionnaire ranging from 0.66 to 0.88. Booysen (1999) reported Cronbach alphas ranging from 0.36 to 0.81 for the adapted questionnaire, which was also used in the present study. Based on the information provided in Table 9, it is evident that in the present data set, the Cronbach alphas of the Uncertainty Avoidance, Gender Egalitarianism, and Performance Orientation sub-scales are dubious and results obtained with these sub-scales should be interpreted with caution.

Table 9 Internal Consistency Coefficients of the Societal Questionnaire

Sub-scale	No. of items in scale	*N*	Cronbach α
Uncertainty Avoidance	4	477	0.54
Assertiveness	4	477	0.66
Gender Egalitarianism	5	477	0.55
Future Orientation	5	477	0.70
Power Distance	5	477	0.60
Individualism/Collectivism	8	477	0.60
Humane Orientation	5	477	0.78
Performance Orientation	3	477	0.52

Multifactor Leadership Questionnaire (MLQ)

The reliability coefficients of the MLQ are presented in Table 10. Although it was decided to cluster the MLQ into the abovementioned three leadership styles, the reliability coefficients of all the sub-scales are presented for purposes of comparability. The Cronbach alpha's obtained in the present study compared favourably with those reported by Mester, Visser, Roodt and Kellerman (2003) that were obtained on a sample of 52 South African Managers: 0.59 for Idealised Influence, 0.73 for Inspirational Motivation, 0.67 for Intellectual Stimulation, 0.54 for Individualised Consideration, 0.46 for Contingent Reward, 0.76 for Management-by-Exception (Active), 0.44 for Management-by-Exception (Passive), and 0.52 for Laissez-Faire. The data used by these authors were, however, based on descriptions by subordinates, not by participants themselves, as in the present study. All three leadership clusters performed adequately or acceptably in the present study, since Clark and Watson (1995) indicated that reliabilities in the 0.605 and 0.705 range have been characterised as good or adequate.

Table 10 Internal Consistency Coefficients of the MLQ

Sub-scale	No. of items	*N*	Cronbach α
Idealised Influence	8	476	0.70
Inspirational Motivation	4	477	0.75
Intellectual Stimulation	4	477	0.64
Individualised Consideration	4	477	0.59
Contingent Reward	4	477	0.70
Management-by-Exception (Active)	4	477	0.70
Management-by-Exception (Passive)	4	477	0.48
Laissez Faire	4	477	0.49
Leadership styles (3 clusters):			
Transformational leadership	24	416	0.85
Transactional leadership	4	458	0.63
Passive leadership	8	441	0.61

SOCIETAL QUESTIONNAIRE

Descriptive statistics

Results of descriptive statistical analyses for the total sample on all the cultural value dimensions of the Societal Questionnaire are reported in Table 11. The mean scores of the cultural value dimensions are graphically presented in descending order in Figure 11. According to Figure 11, South African managers rated Individualism/Collectivism the highest ($\bar{x}$ = 5.15), Humane Orientation second ($\bar{x}$ = 5.06), Performance Orientation third ($\bar{x}$ = 5.04), Uncertainty Avoidance fourth ($\bar{x}$ = 4.79), Future Orientation fifth ($\bar{x}$ = 4.62), Power Distance sixth ($\bar{x}$ = 4.55), Assertiveness seventh ($\bar{x}$ = 4.18) and Gender Egalitarianism the lowest ($\bar{x}$ = 3.50). Descriptive statistics on all the cultural value dimensions differentiated according to the four sub-culture groups and gender are presented in Tables 12 and 13.

Table 11 Descriptive Statistics for the Cultural Value Dimensions of the Societal Questionnaire (Total Sample)

Cultural value dimension	*n*	$\bar{x}$	SD	Min	Max
Uncertainty Avoidance	422	4.79	0.99	1.75	7.00
Assertiveness	422	4.18	1.09	1.00	6.75
Gender Egalitarianism	422	3.50	0.98	1.00	5.80
Future orientation	422	4.62	1.13	1.00	7.00
Power Distance	422	4.55	1.02	1.20	6.80
Individualism/Collectivism	422	5.15	0.77	2.63	7.00
Humane Orientation	422	5.06	1.04	1.80	7.00
Performance orientation	422	5.04	0.97	2.00	7.00

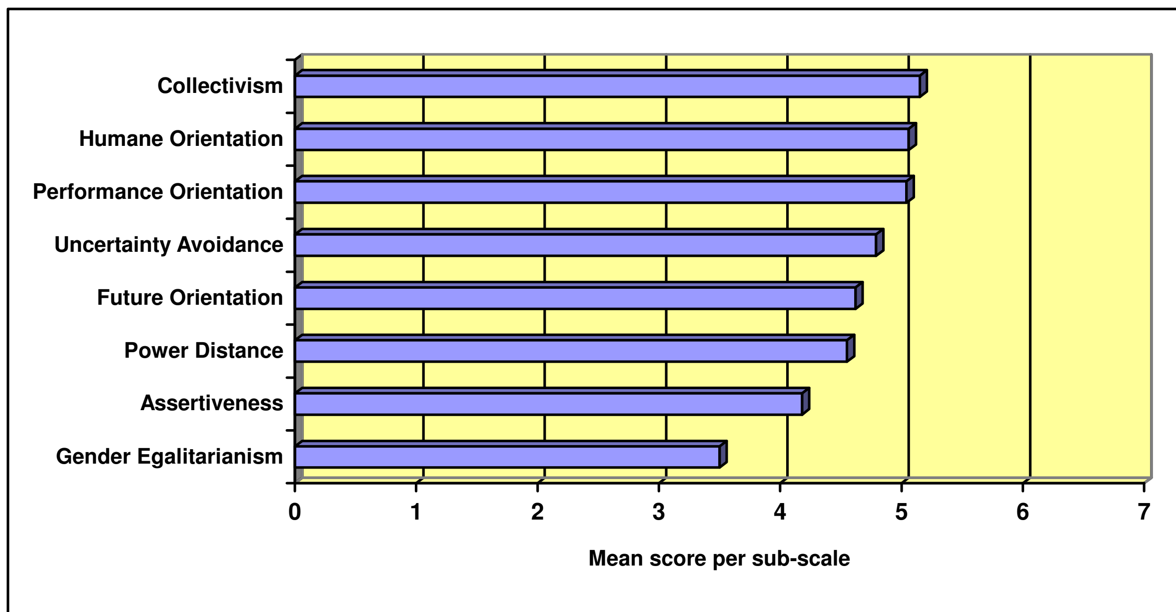

Figure 11 Mean Scores of Cultural Value Dimensions in Descending Order (Total Sample)

Based on the descriptive statistics for the various cultural value dimensions of the four sub-culture groups (see Table 12), Indian managers displayed the highest Uncertainty Avoidance ($\bar{x}$ = 5.14) and Coloured managers the lowest ($\bar{x}$ = 4.31); White managers rated Assertiveness

the highest ($\bar{x}$ = 4.59) while Indian managers rated this dimension the lowest ($\bar{x}$ = 3.60); although all four sub-culture groups rated Gender Egalitarianism very low, White managers had the highest score ($\bar{x}$ = 3.62) and Black managers the lowest ($\bar{x}$ = 3.33); Indian managers displayed the highest Future Orientation ($\bar{x}$ = 5.14) and Coloured managers the lowest ($\bar{x}$ = 3.99); Coloured managers rated Power Distance the highest ($\bar{x}$ = 4.66), while Indian managers rated it the lowest ($\bar{x}$ = 4.42); Indian managers indicated the highest average of 5.51 for Individualism/Collectivism, and White managers the lowest ($\bar{x}$ = 4.46); for Humane Orientation Indian managers scored the highest ($\bar{x}$ = 5.46) and White managers the lowest ($\bar{x}$ = 4.32); the highest score for Performance Orientation was almost identical for White ($\bar{x}$ = 5.26) and Indian managers ($\bar{x}$ = 5.25), while Coloured managers had the lowest score ($\bar{x}$ = 4.69).

Table 12 Descriptive Statistics for the Cultural Value Dimensions of the Societal Questionnaire Differentiated According to the Four Sub-culture Groups

Cultural value dimensions	*n*	Sub-Culture Group	$\bar{x}$	SD	Min	Max
Uncertainty Avoidance	118	Black	4.76	0.91	1.75	6.75
	98	White	4.91	0.85	2.75	6.50
	97	Coloured	4.31	1.14	2.00	6.50
	109	Indian	5.14	0.88	2.00	7.00
Assertiveness	118	Black	4.20	1.12	1.00	6.75
	98	White	4.59	0.98	1.75	6.75
	97	Coloured	4.38	1.03	2.25	6.75
	109	Indian	3.60	0.97	1.25	5.75
Gender Egalitarianism	118	Black	3.33	1.04	1.00	5.40
	98	White	3.62	0.93	1.40	5.40
	97	Coloured	3.52	0.94	1.40	5.60
	109	Indian	3.56	0.96	1.60	5.80

Table 12 (Continued)

Cultural value dimensions	*n*	Sub-Culture Group	$\bar{x}$	SD	Min	Max
Future Orientation	118	Black	4.40	1.13	1.00	7.00
	98	White	4.92	0.79	2.40	6.80
	97	Coloured	3.99	1.14	1.60	7.00
	109	Indian	5.14	1.07	2.20	7.00
Power Distance	118	Black	4.58	0.94	2.60	6.60
	98	White	4.54	1.01	1.60	6.80
	97	Coloured	4.66	1.01	2.60	6.80
	109	Indian	4.42	1.13	1.20	6.60
Individualism/ Individualism/Collectivism	118	Black	5.47	0.70	3.13	7.00
	98	White	4.46	0.62	3.38	6.38
	97	Coloured	5.03	0.64	2.63	6.25
	109	Indian	5.51	0.63	3.75	6.75
Humane Orientation	118	Black	5.34	1.03	2.20	7.00
	98	White	4.32	0.92	1.80	6.60
	97	Coloured	5.01	0.95	2.00	6.80
	109	Indian	5.46	0.89	2.40	7.00
Performance Orientation	118	Black	4.96	1.00	2.00	7.00
	98	White	5.26	0.83	2.00	7.00
	97	Coloured	4.69	1.11	2.33	7.00
	109	Indian	5.25	0.83	3.00	7.00

The descriptive statistics for the cultural value dimensions differentiated according to gender are indicated in Table 13. According to the results, male managers displayed the highest scores for Uncertainty Avoidance ($\bar{x}$ = 4.83), Assertiveness ($\bar{x}$ = 4.29), Future Orientation ($\bar{x}$ = 4.69), Individualism/Collectivism ($\bar{x}$ = 5.21), and Performance Orientation ($\bar{x}$ = 5.11).

Female managers rated highest for Gender Egalitarianism ($\bar{x}$ = 3.63). The two genders scored almost similarly for Power Distance and for Humane Orientation.

Table 13 Descriptive Statistics for the Cultural Value Dimensions of the Societal Questionnaire Differentiated According to Gender

Cultural value dimensions	*N*	Gender	$\bar{x}$	SD	Min	Max
Uncertainty Avoidance	225	Male	4.83	0.91	2.25	6.75
	197	Female	4.74	1.07	1.75	7.00
Assertiveness	225	Male	4.29	1.08	1.25	6.75
	197	Female	4.04	1.09	1.00	6.75
Gender Egalitarianism	225	Male	3.39	1.01	1.00	5.60
	197	Female	3.63	0.92	1.20	5.80
Future Orientation	225	Male	4.69	1.12	1.00	7.00
	197	Female	4.54	1.14	1.60	6.60
Power Distance	225	Male	4.54	1.07	1.20	6.80
	197	Female	4.55	0.97	1.60	6.80
Individualism/ Collectivism	225	Male	5.21	0.72	3.50	6.75
	197	Female	5.07	0.83	2.63	7.00
Humane Orientation	225	Male	5.06	1.04	1.80	7.00
	197	Female	5.05	1.05	1.80	7.00
Performance Orientation	225	Male	5.11	0.90	2.33	7.00
	197	Female	4.96	1.04	2.00	7.00

Investigating alternative data groupings

From a constructionist viewpoint, it could be argued that the grouping of participants into Black, Coloured, White, and Indian groups was artificial and inappropriate. As described in Chapter 1, these categories originally constituted part of a multitude of Apartheid legislation

that was aimed at separating Whites and Blacks. Subsequently, the same categories were maintained by the current ANC Government, as a means of administering and invigilating affirmative action in employment and other social spheres.

Similar considerations to the above could be raised about male-female distinctions. Consequently, an alternative classification was sought through cluster analysis to sort the sample into empirically derived groups on the basis of their scores on the Societal Questionnaire and not on the basis of their cultural or gender grouping. The clusters so identified would be naturally occuring groups (for instance, a cluster consisting of high Individualism/Collectivism, medium Power Distance, and low Future Orientation scores, and so forth). However, this does not resolve the issues of interactions between the clusters. The various clusters could then be compared on the dependent variables by means of ANOVA and *t* tests.

Cluster analysis includes a number of different algorithms and methods for grouping similar objects into respective categories. It is an exploratory data analysis tool which can be used to discover structures in data without providing an explanation of why they exist (Statsoft, 2005).

Results of the cluster analysis, however, showed that no clusters could be identified in the sample. A possible reason for this is that the mean scores obtained on the various dimensions of the Societal Questionnaire were of a similar range – most of the scores were between 3.5 and 6 – and the cluster analysis could not differentiate adequately between high, low, and medium scores (see Figure 12).

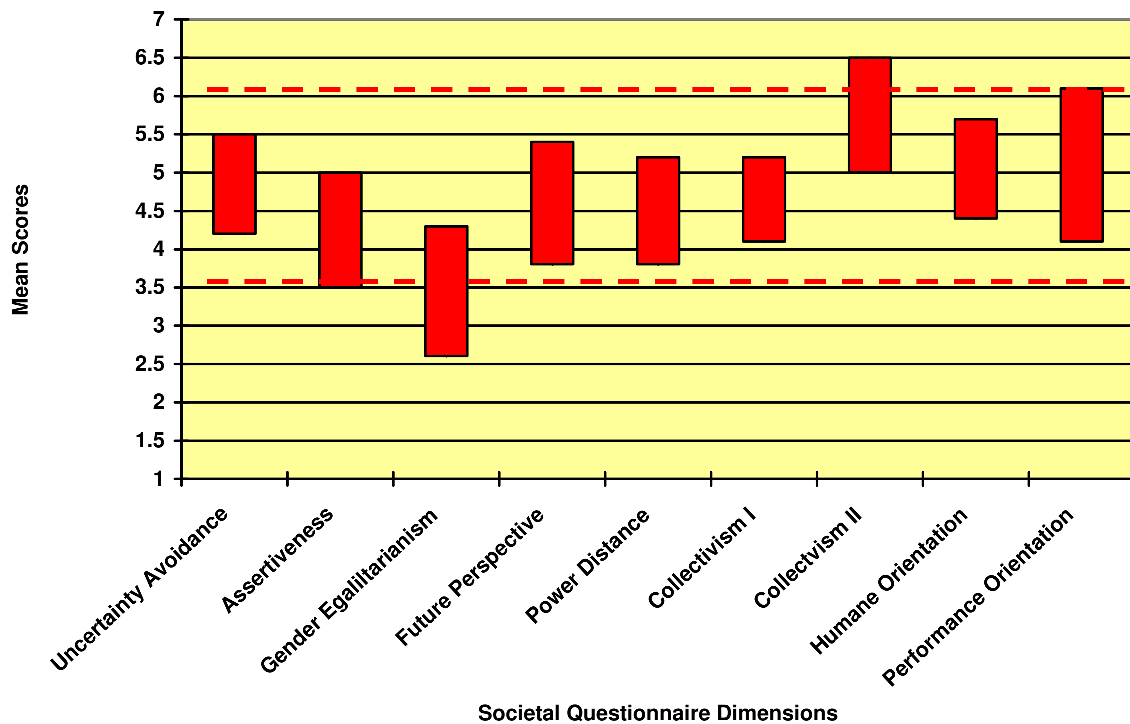

Figure 12 Schematic Plot of Cultural Value Dimensions of Societal Questionnaire

An interpretation of the results of the cluster analysis could be that there are no empirically justifiable groups in the sample and that classification of Black, Coloured, Indian, and White groupings are artificial. One should, however, be mindfull of the constructionist viewpoint that researchers often interpret results in anticipation of the findings they are expecting to find. It could also be that the cluster analysis did not identify empirically derived groups, purely because of restriction of range in the mean values obtained with the Societal Questionnaire. As a consequence, it was decided to retain the sub-cultural groupings in the analysis of results, but to include effect size, as a measure of practical signficance, in the calculations. Due to the large sample size of the present study (n = 477), it is possible that very small effects could be found to be statistically significant. Although the level of statistical significance indicates that a non-chance relationship between the variables is unlikely, it does not indicate the magnitude of the relationship. It is, therefore, useful to calculate the effect size as an index of the strength of the relationship or 'practical significance' (Abrami et al., 2001). The effect size (*d)* was only calculated for statistically

significant relationships. As indicated in Chapter 5, an effect size around 0.20 is considered to be small, an effect size around 0.50 as medium, and an effect size around 0.80 as large.

Analysis of results

Analysis of variance was used to compare the means obtained from the cultural value dimensions (dependent variables) with the independent variables, namely the various cultural groups, gender, age, educational level, management level, number of years full-time work experience, number of years experience as manager, exposure to formal Western management training, and possible interactions between the independent variables to determine whether there are any reliable differences among them. It was, however, not possible to include all the possible interactions between the independent variables, because some of the interactions were confounded. In cases where reliable differences existed, *post hoc* comparisons were done, using least square means (LSM).

The results of the ANOVA between the subgroups on the Uncertainty Avoidance cultural value dimension are presented in Tables 14 and 15. From Table 14 it can be seen that there were statistically significant differences ($p < 0.001$) only between the different sub-culture groups on this dimension (and on none of the biographical variables). The effect size (d) was calculated as an indication of the practical significance for statistically significant relationships.

The Indian group had the highest score for Uncertainty Avoidance (LSM = 5.17), which was statistically significantly higher ($p < 0.01$) than that of the Black group (LSM = 4.83), with a small to medium effect size; and statistically significantly higher ($p = 0.001$) than that of the Coloured group (LSM = 4.26), with a large effect size. The Coloured group, which had the lowest score (LSM = 4.26), was also statistically significantly lower ($p < 0.001$) than that of the White group (LSM = 4.94), with a medium to high effect size; and statistically significantly lower ($p < 0.001$) than the score of the Black group (LSM = 4.83), with a medium effect size (see Table 15).

Table 14 Analysis of Variance between Subgroups on Uncertainty Avoidance.

Independent variable groupings	df	F Value	Prob > F
Sub-culture group	3	15.66	<0.001***
Gender	1	0.01	0.924
Age	4	1.57	0.180
Educational level	2	1.62	0.199
Management level	1	0.66	0.416
Exposure to formal management training	1	2.25	0.134
Number of years full-time work experience	2	0.75	0.474
Number of years as manager	2	0.99	0.373
Gender x Educational level	2	2.24	0.108
Gender x Number of years as manager	2	2.05	0.131

*** $p < 0.001$

Table 15 Least Square Means: Sub-culture Group and Uncertainty Avoidance

	LSM	Black		Coloured		Indian	
		p	***d***	***P***	***d***	***p***	***d***
Black	4.83						
Coloured	4.26	<0.001***	0.61				
Indian	5.17	0.010**	0.36	<0.001***	0.97		
White	4.94	0.435	—	<0.001***	0.73	0.097	—

** $p < 0.01$
*** $p < 0.001$

The results of ANOVAs between subgroups on the Assertiveness cultural value dimension are depicted in Tables 16, 17, 18 and 19. Table 16 indicates statistically significant differences on Assertiveness between the different sub-culture groups ($p < 0.001$), between the different gender groups ($p < 0.05$), and between the various educational level categories ($p < 0.001$).

Table 16 Analysis of Variance between Subgroups on Assertiveness.

Independent variable groupings	df	F Value	Prob > F
Sub-culture group	3	15.65	<0.001***
Gender	1	6.23	0.013*
Age	4	2.02	0.091
Educational level	2	15.77	<0.001***
Management level	1	0.19	0.660
Exposure to formal management training	1	1.09	0.298
Number of years full-time work experience	2	0.85	0.427
Number of years as manager	2	0.35	0.707

* $p < 0.05$
*** $p < 0.001$

Table 17 Least Square Means: Sub-culture Group and Assertiveness

	LSM	Black		Coloured		Indian	
		p	*D*	*p*	*d*	*p*	*d*
Black	4.38						
Coloured	4.42	0.767	—				
Indian	3.79	<0.001***	0.60	<0.001***	0.64		
White	4.75	0.012*	0.38	0.027*	0.33	<0.001***	0.97

* $p < 0.05$
*** $p < 0.001$

From Table 17 it is clear that the Indian group had the lowest score for Assertiveness (LSM = 3.79). This score was statistically significantly lower ($p < 0.001$) than that of the White group (LSM = 4.75) with a large effect size; statistically significantly lower ($p < 0.001$) than the Coloured group (LSM = 4.42) with a medium effect size; and statistically significantly lower ($p < 0.001$) than that of the Black group (LSM = 4.38) with a medium effect. The White group (LSM = 4.75) was also statistically significantly higher ($p < 0.05$) than both that of the Black group (LSM = 4.38) and the Coloured group (LSM = 4.42); however, the effect size for both these relationships was small.

Table 18 Least Square Means: Gender and Assertiveness

	LSM	Male	
		p	***d***
Male	4.46		
Female	4.20	<0.001***	0.26

*** $p < 0.001$

Based on the results of Table 18, males had a statistically significantly higher Assertiveness score than females, although the effect size was small.

Table 19 Least Square Means: Educational Level and Assertiveness

	LSM	Grade 12		Bank Exams	
		p	***D***	***p***	***d***
Grade 12	4.33				
Bank Exams	4.73	0.005**	0.41		
Tertiary Qualifications	3.95	0.003**	0.38	<0.001***	0.79

** $p < 0.01$
*** $p < 0.001$

Respondents who indicated that they completed banking-related qualifications had the highest score on Assertiveness (LSM = 4.73). This score was statistically significantly higher ($p < 0.001$) than that of respondents with tertiary qualifications (LSM = 3.95) with a large effect size ($d = 0.79$). Respondents with a Grade 12 qualification (LSM = 4.33) had a statistically significantly higher ($p < 0.01$) score than respondents with a banking-related qualification (LSM = 4.73) and respondents with a tertiary qualification (LSM = 3.79). The effect sizes for both these relationships were small.

The results of the ANOVA between the subgroups on Gender Egalitarianism are presented in Tables 20 and 21. The only statistically significant difference on this dimension ($p < 0.05$) was between the various educational level categories. Although all three the educational

categories obtained relatively low scores for this dimension, respondents with tertiary qualifications obtained the lowest levels of Gender Egalitarianism (LSM = 3.33). This value was statistically significantly lower ($p < 0.01$) than that of respondents with a Grade 12 qualification (LSM = 3.68) and respondents with banking-related qualifications (LSM = 3.60; $p < 0.05$). The effect sizes for both these significant relationships were small (see Table 21).

Table 20 Analysis of Variance between Subgroups on Gender Egalitarianism

Independent variable groupings	Df	F Value	Prob > F
Sub-culture group	3	1.34	0.262
Gender	1	3.03	0.082
Age	4	1.53	0.194
Educational level	2	4.34	0.014*
Management level	1	0.03	0.862
Exposure to formal management training	1	0.01	0.936
Number of years full-time work experience	2	1.09	0.339
Number of years as manager	2	0.08	0.924
Culture group x Number of years as manager	6	1.60	0.145

* $p < 0.05$

Table 21 Least Square Means: Educational Level and Gender Egalitarianism

	LSM	Grade 12		Bank Exams	
		p	***d***	***p***	***d***
Grade 12	3.68				
Bank Exams	3.60	0.573	—		
Tertiary Qualifications	3.33	0.005**	0.37	0.049*	0.28

* $p < 0.05$

** $p < 0.01$

Table 22 Analysis of Variance between Subgroups on Future Orientation

Independent variable groupings	df	F Value	Prob > F
Sub-culture group	3	25.95	<0.001***
Gender	1	2.59	0.108
Age	4	1.48	0.209
Educational level	2	0.81	0.444
Management level	1	3.83	0.051
Exposure to formal management training	1	1.31	0.253
Number of years full-time work experience	2	0.31	0.731
Number of years as manager	2	0.92	0.398

*** $p < 0.001$

Table 22 indicates that there was a statistically significant difference ($p < 0.001$ level) on Future Orientation between the four culture groups. From Table 23 it is evident that the Coloured group had the lowest score for Future Orientation (LSM = 3.97). This was statistically significantly lower ($p < 0.001$ level) than the scores of both the Indian (LSM = 5.14) and the White groups (LSM = 5.01) with very large effect sizes, and statistically significantly lower ($p < 0.01$ level) than the score of the Black group (LSM = 4.41) with a small effect size. The score of the Black group was also statistically significantly lower ($p < 0.001$) than that of the Indian group (LSM = 5.14) with a medium effect size and the White group (LSM = 5.01), also with a medium effect size.

Table 23 Least Square Means: Sub-culture Group and Future Orientation

	LSM	Black		Coloured		Indian	
		p	***d***	***p***	***d***	***p***	***d***
Black	4.41						
Coloured	3.97	0.004**	0.42				
Indian	5.14	<0.001***	0.70	<0.001***	1.12		
White	5.01	<0.001***	0.58	<0.001***	1.00	0.145	—

** $p < 0.01$
*** $p < 0.001$

The results of the ANOVAs between the subgroups on the Power Distance cultural value dimension are presented in Tables 24, 25, 26 and 27. Table 24 indicates a statistically significant difference ($p < 0.05$) between the educational level categories on Power Distance. There were also statistically significant differences ($p < 0.05$) between the interaction of educational level categories and gender groups, as well as the interaction between the various culture and gender groups ($p < 0.01$).

Table 24 Analysis of Variance between Subgroups on Power Distance

Independent variable groupings	df	F Value	Prob > F
Sub-culture group	3	1.65	0.177
Gender	1	1.06	0.304
Age	4	0.76	0.549
Educational level	2	4.18	0.016*
Management level	1	0.44	0.505
Exposure to formal management training	1	2.22	0.137
Number of years full-time work experience	2	0.69	0.502
Number of years as manager	2	1.20	0.303
Gender x Educational level	2	3.99	0.019*
Sub-culture group x Gender	3	4.25	0.006**

* $p < 0.05$
** $p < 0.01$

Table 25 Least Square Means: Educational Level and Power Distance

	LSM	Grade 12		Bank Exams	
		p	***d***	***p***	***d***
Grade 12	4.31				
Bank Exams	4.50	0.194	—		
Tertiary Qualifications	4.68	0.004**	0.37	0.201	—

** $p < 0.01$

From Table 25 it is clear that respondents with a tertiary qualification had the highest Power Distance score (LSM = 4.68), and this score was statistically significantly higher ($p < 0.01$) than the score of respondents with a Grade 12 qualification (LSM = 4.31), but with a small effect size. Male respondents with a Grade 12 qualification (LSM = 4.22) had a statistically significantly lower score ($p < 0.01$) than male respondents with a bank-related qualification (LSM = 4.79), and female respondents with a tertiary qualification (LSM = 4.72), both with a medium effect size.

Table 26 indicates that the score for male respondents with a Grade 12 qualification was also statistically significantly lower ($p < 0.05$) than that of male respondents with a tertiary qualification (LSM = 4.65), with a small effect size. The Power Distance scores of male respondents with a banking-related qualification (LSM = 4.79) (medium effect size), as well as male respondents with a tertiary qualification (LSM = 4.65) (small effect size) were also statistically significantly higher (at the 0.05 level) than female respondents with a banking-related qualification (LSM = 4.20). Within the female sample, the score of respondents with a banking-related qualification (LSM = 4.20) was statistically significantly lower ($p < 0.05$ level) than the score of respondents with a tertiary qualification (LSM = 4.72), with a medium effect size.

The information depicted in Table 27 indicates a statistically significant difference ($p < 0.05$) between the Power Distance scores of the White male group (LSM = 4.87), and the Black female group (LSM = 4.30), with a medium effect size. There was also a statistically significant difference ($p < 0.01$) between the scores of the White male group (LSM = 4.87) and the Indian male group (LSM = 4.22), with a medium effect size. The score for the White female group (LSM = 4.23) was statistically significantly ($p < 0.05$) lower than that of the Coloured female group (LSM = 4.72), with a small to medium effect size, and statistically significantly lower ($p < 0.01$) than the White male group (LSM = 4.87) with a medium effect size. The score for the Coloured female group (LSM = 4.72) was statistically significantly higher ($p < 0.05$) than that of the Indian male group (LSM = 4.22), with a medium effect size.

Table 26 Least Square Means: Gender x Educational Level and Power Distance

	LSM	M Grade 12		M Bank Exams		M Tertiary Qual		F Grade 12		F Bank Exams	
		p	***d***	***p***	***d***	***p***	***d***	***P***	***d***	***p***	***d***
Male Grade 12	4.22										
Male Bank Ex	4.79	0.004**	0.58								
Male Tertiary	4.65	0.011*	0.43	0.441	—						
Female Grade 12	4.40	0.305	—	0.052	—	0.155	—				
Female Bank Ex	4.20	0.945	—	0.011*	0.60	0.032*	0.45	0.344	—		
Female Tertiary	4.72	0.004**	0.50	0.674	—	0.674	—	0.082	—	0.015*	0.52

* $p < 0.05$
** $p < 0.01$

Table 27 Least Square Means: Sub-culture Group x Gender and Power Distance

	LSM	Black M		Black F		Clrd M		Clrd F		Indian M		Indian F		White M	
		P	***d***	***p***	***d***	***p***	***d***	***p***	***d***	***p***	***D***	***p***	***D***	***p***	***d***
Black M	4.52														
Black F	4.30	0.273	—												
Clrd M	4.62	0.640	—	0.154	—										
Clrd F	4.72	0.321	—	0.058	—	0.633	—								
Indian M	4.22	0.100	—	0.696	—	0.055	—	0.015*	0.50						
Indian F	4.52	0.978	—	0.281	—	0.678	—	0.353	—	0.134	—				
White M	4.87	0.075	—	0.012*	0.58	0.231	—	0.466	—	0.002**	0.66	0.107	—		
White F	4.23	0.141	—	0.724	—	0.076	—	0.019*	0.49	0.978	—	0.143	—	0.003**	0.65

* $p < 0.05$
** $p < 0.01$

Results of the ANOVA between the subgroups on the Individualism/Collectivism cultural value dimension are presented in Tables 28 to 32. Table 28 shows that there were statistically significant differences on the Individualism/Collectivism dimension between the four sub-culture groups ($p < 0.001$), between the various categories of the number of years as manager ($p < 0.01$), as well as the interaction between the four sub-culture groups and gender groups ($p < 0.01$), and the interaction of the four sub-culture groups and management level categories ($p < 0.01$).

Table 28 Analysis of Variance between Subgroups on Individualism/Collectivism

Independent variable groupings	df	F Value	Prob > F
Sub-culture group	3	36.92	<0.001***
Gender	1	2.01	0.157
Age	4	0.05	0.996
Educational level	2	0.06	0.941
Management level	1	1.04	0.309
Exposure to formal management training	1	1.72	0.190
Number of years full-time work experience	2	0.66	0.518
Number of years as manager	2	5.26	0.006**
Age x Sub-culture group	12	1.07	0.387
Sub-culture group x Gender	3	5.02	0.002**
Age x Management level	4	1.64	0.163
Sub-culture group x Management level	3	3.88	0.009**

** p < 0.01
*** p < 0.001

The Individualism/Collectivism score of managers with more than 11 year experience as manager (LSM = 4.85) was statistically significantly lower than that of managers with six to ten years experience as manager (LSM = 5.11; $p < 0.05$) and those with one to five years experience as manager (LSM = 5.24; $p < 0.01$). It has already been established from the information presented in Figure 10 that 82.71% of the Black managers and 80.80% of Indian managers had less than 10 year's managerial experience. The distribution in the sample could

account for the higher Individualism/Collectivism scores in the two groupings with less experience as managers and, as such, these results will not be further discussed in Chapter 7.

Table 29 Least Square Means: Sub-culture Group and Individualism/Collectivism

	LSM	Black		Coloured		Indian	
		p	***d***	***p***	***D***	***p***	***d***
Black	5.37						
Coloured	4.94	<0.001***	0.68				
Indian	5.47	0.291	—	<0.001***	0.84		
White	4.51	<0.001***	1.36	<0.001***	0.68	<0.001***	1.52

*** $p < 0.001$

Table 30 Least Square Means: Number of Years as Manager and Individualism/Collectivism

	LSM	1 – 5 Years		6 – 10 Years	
		p	***d***	***P***	***d***
1 – 5 Years	5.24				
6 – 10 Years	5.11	0.130	—		
11+ Years	4.85	0.001***	0.61	0.028*	0.41

* $p < 0.05$
*** $p < 0.001$

From Table 31 it is evident that White female managers had the lowest score on the Individualism/Collectivism dimension (LSM = 4.38). This score was statistically significantly lower than the scores of all of the other subgroups, except the White male managers. Most of these differences had large effect sizes, with the largest effect size between the White female and the Indian female managers. Indian female managers obtained the highest Individualism/Collectivism score (LSM = 5.65). This score was statistically significantly higher than the scores of all of the other subgroups, except the Black male managers. The effect sizes for these statistically significant differences ranged from medium to large. The Individualism/Collectivism score of Black male managers (LSM = 5.49) was statistically

significantly higher than the scores for Coloured male and female managers, as well as White male and female managers. Effect sizes ranged from medium to large. Coloured male managers' Individualism/Collectivism score (LSM = 5.06) was statistically significantly higher, with a medium effect size than the score obtained by White male managers (LSM = 4.63), which in turn was statistically significantly lower than the score obtained by Black female managers and Indian male and female managers.

Differences on the Individualism/Collectivism scores obtained from the sub-culture group and management level interaction are presented in Table 32. Indian middle managers obtained the highest score (LSM = 5.55), which was statistically significantly higher than that of Coloured junior and middle managers and White junior and middle managers (LSM = 4.27); all differences had large effect sizes. White, middle managers had the lowest Individualism/Collectivism score (LSM = 4.27). This score was statistically significantly lower than that of all of the other subgroups. The statistical differences between these categories had large effect sizes. The score obtained by White junior managers (LSM = 4.74) was statistically significantly lower than the scores of Black junior and middle managers and Indian junior and middle managers — all with large effect sizes.

The results of the ANOVA between the subgroups on the Humane Orientation cultural value dimension are presented in Tables 33 and 34. From Table 33 it can be seen that there were statistically significant differences ($p < 0.001$) between the different sub-culture groups on this dimension. Indian managers had the highest score for this dimension (LSM = 5.34) and White managers the lowest (LSM = 4.21). This score was statistically significantly lower ($p < 0.001$) than that of the Black, Coloured, and Indian managers, all with large effect sizes. The score of the Coloured managers (LSM = 4.92) was statistically significantly lower ($p < 0.01$) than that of the Indian managers (LSM = 5.34), with a medium effect size. On this dimension, there is convergence between the scores of the Black and Indian managers (Table 34).

Table 31 Least Square Means: Sub-culture Group x Gender and Individualism/Collectivism

	LSM	Black M		Black F		Clrd M		Clrd F		Indian M		Indian F		White M	
		p	*d*	*p*	*d*	*p*	*D*	*p*	*d*	*p*	*d*	*p*	*d*	*P*	*d*
Black M	5.49														
Black F	5.24	0.051	—												
Clrd M	5.06	0.001**	0.68	0.205	—										
Clrd F	4.81	<0.001***	1.08	0.003**	0.68	0.080	—								
Indian M	5.29	0.110	—	0.738	—	0.095	—	0.001**	0.76						
Indian F	5.65	0.223	—	0.005**	0.65	<0.001***	0.93	<0.001***	1.33	0.009**	0.57				
White M	4.63	<0.001***	1.36	<0.001***	0.97	0.003**	0.68	0.219	—	<0.001***	1.04	<0.001***	1.61		
White F	4.38	<0.001***	1.76	<0.001***	1.36	<0.001***	1.08	0.002**	0.68	<0.001***	1.44	<0.001***	2.01	0.062	—

* $p < 0.05$
** $p < 0.01$
*** $p < 0.001$

Table 32 Least Square Means: Sub-culture Group x Management Level and Individualism/Collectivism

	LSM	Black Jnr		Black Middle		Clrd Jnr		Clrd Middle		Indian Jnr		Indian Middle		White Jnr	
		p	*d*	*p*	*d*	*p*	*D*	*p*	*d*	*p*	*d*	*p*	*d*	*p*	*d*
Black Jnr	5.32														
Black Middle	5.42	0.442	—												
Clrd Jnr	4.99	0.016*	0.52	0.002**	0.68										
Clrd Middle	4.88	0.003**	0.70	<0.001***	0.85	0.458	—								
Indian Jnr	5.38	0.622	—	0.817	—	0.004**	0.62	0.001**	0.79						
Indian Middle	5.55	0.089	—	0.283	—	<0.001***	0.89	<0.001***	1.06	0.221	—				
White Jnr	4.74	<0.001***	0.92	<0.001***	1.08	0.096	—	0.358	—	<0.001***	1.01	<0.001***	1.28		
White Middle	4.27	<0.001***	1.66	<0.001***	1.82	<0.001***	1.14	<0.001***	0.97	<0.001***	1.76	<0.001***	2.03	0.002**	0.73

* $p < 0.05$
** $p < 0.01$
*** $p < 0.001$

Table 33 Analysis of Variance between Subgroups for Humane Orientation

Independent variable groupings	Df	F Value	Prob > F
Sub-culture group	3	18.94	<0.001***
Gender	1	0.22	0.643
Age	4	0.27	0.899
Educational level	2	2.09	0.125
Management level	1	0.09	0.765
Exposure to formal management training	1	1.91	0.167
Number of years full-time work experience	2	0.12	0.890
Number of years as manager	2	0.79	0.453
Age x Sub-culture group	12	1.13	0.333
Sub-culture group x Exposure to Management Training	3	1.89	0.131

*** $p < 0.001$

Table 34 Least Square Means: Sub-culture Group and Humane Orientation

	LSM	Black		Coloured		Indian	
		p	***d***	***p***	***d***	***p***	***d***
Black	5.13						
Coloured	4.92	0.176	—				
Indian	5.34	0.175	—	0.007**	0.44		
White	4.21	<0.001***	0.97	<0.001***	0.75	<0.001***	1.20

** $p < 0.01$
*** $p < 0.001$

Results of the ANOVA between the subgroups on the Performance Orientation cultural value dimension are presented in Tables 35 to 40. Table 35 shows that there are statistically significant differences on this dimension between the various cultural groups ($p < 0.001$), the different educational level categories ($p < 0.01$), the various management levels ($p < 0.05$), as well as with the interaction between the gender groups and educational level categories ($p < 0.01$), and the interaction between the various management level categories and number of years as manager categories ($p < 0.01$).

Table 35 Analysis of Variance between Subgroups for Performance Orientation

Independent variable groupings	df	F Value	Prob > F
Sub-culture group	3	8.41	<0.001***
Gender	1	0.16	0.693
Age	4	0.44	0.782
Educational level	2	5.07	0.007**
Management level	1	6.41	0.012*
Number of years full-time work experience	2	0.07	0.936
Number of years as manager	2	0.31	0.732
Gender x Educational level	2	6.04	0.003**
Management level x Years as manager	2	5.93	0.003**

* $p < 0.05$
** $p < 0.01$
*** $p < 0.001$

Table 36 Least Square Means: Sub-culture Group and Performance Orientation

	LSM	Black		Coloured		Indian	
		p	***d***	***p***	***d***	***p***	***d***
Black	4.94						
Coloured	4.60	0.021*	0.37				
Indian	5.26	0.033*	0.35	<0.001***	0.72		
White	5.18	0.136	—	<0.001***	0.63	0.568	—

* $p < 0.05$
*** $p < 0.001$

According to the results presented in Table 36, Indian managers had the highest score on this dimension (LSM = 5.26), which was statistically significantly higher ($p < 0.001$) than that of Coloured managers (LSM = 4.60) with a medium effect size. The score of the Indian managers was also statistically significantly higher ($p < 0.05$) than that of Black managers (LSM = 4.94) with a small effect size. Coloured managers had the lowest score (LSM = 4.60), which was statistically significantly lower than that of Black managers ($p < 0.05$) with a small effect size, Indian managers ($p < 0.001$) with a large effect size, and White managers ($p <$

0.001) with a large effect size. On this dimension, there is convergence between the scores of the White and Indian managers.

Table 37 Least Square Means: Educational Level and Performance Orientation

	LSM	Grade 12		Bank Exams	
		p	***d***	***p***	***d***
Grade 12	5.09				
Bank Exams	5.13	0.772	—		
Tertiary Qualifications	4.76	0.007**	0.36	0.007**	0.40

* $p < 0.05$
** $p < 0.01$
*** $p < 0.001$

Based on the results presented in Table 37, managers with banking industry related qualifications had the highest score (LSM = 5.13) on this dimension. This score was statistically significantly higher ($p < 0.01$) than that of managers with tertiary qualifications (LSM = 4.76), with a small effect size. From Table 38 it is obvious that middle managers had the highest score on Performance Orientation (LSM = 5.15), which was statistically significantly higher ($p < 0.001$) than that of junior managers (LSM = 4.84) with a small effect size.

Table 38 Least Square Means: Management Level and Performance Orientation

	LSM	Junior	
		p	***d***
Junior	4.84		
Middle	5.15	<0.001***	0.34

*** $p < 0.001$

Table 39 shows that female managers with banking-related qualifications had the highest score on Performance Orientation (LSM = 5.43). This score was statistically significantly higher ($p < 0.01$) with a medium effect size than that of male managers with banking-related

qualifications (LSM = 4.84), as well as male managers with tertiary qualifications. The score was also statistically significantly higher ($p < 0.05$), with a small effect size, than that of female managers with a Grade 12 qualification (LSM = 4.99), and female managers with tertiary qualifications (LSM = 4.63) ($p < 0.001$), with a large effect size. Female managers with tertiary qualifications had the lowest score (LSM = 4.63) on this dimension, which was statistically significantly lower ($p < 0.05$), with a small effect size than the score of female managers with a Grade 12 qualification, and male managers with a Grade 12 qualification (LSM = 5.19) ($p < 0.001$), with a medium effect size.

According to Table 40, junior managers with more than eleven years managerial experience had the lowest score on this dimension (LSM = 4.53). This score was statistically significantly lower ($p < 0.05$) than the score of junior managers with one to five years managerial experience (LSM = 5.13) with a medium effect size, middle managers with six to ten years managerial experience (LSM = 5.17) with a medium effect size and middle managers with more than eleven years managerial experience (LSM = 5.30) with a large effect size.

Table 39 Least Square Means: Gender x Educational Level and Performance Orientation

	LSM	M GRADE 12		M Bank Exams		M Tertiary Qual		F Grade 12		F Bank Exams	
		p	*d*	*p*	*d*	*p*	*d*	*p*	*d*	*p*	*d*
Male Grade 12	5.19										
Male Bank Ex	4.84	0.055	—								
Male Tertiary	4.90	0.054	—	0.739	—						
Female Grade 12	4.99	0.219	—	0.418	—	0.564	—				
Female Bank Ex	5.43	0.250	—	0.007**	0.65	0.008**	0.58	0.029*	0.48		
Female Tertiary	4.63	<0.001***	0.61	0.256	—	0.051	—	0.031*	0.39	<0.001***	0.87

* $p < 0.05$
** $p < 0.01$
*** $p < 0.001$

Table 40 Least Square Means: Management Level x Years as Manager and Performance Orientation

	LSM	Jnr 1-5		Jnr 6-10		Jnr 11+		Middle 1-5		Middle 6-10	
		p	*d*	*p*	*d*	*p*	*d*	*p*	*d*	*p*	*d*
Jnr 1-5	5.13										
Jnr 6-10	4.86	0.172	—								
Jnr 11+	4.53	0.018*	0.66	0.237	—						
Middle 1-5	4.98	0.232	—	0.546	—	0.074	—				
Middle 6-10	5.17	0.785	—	0.135	—	0.012*	0.70	0.221	—		
Middle 11+	5.30	0.384	—	0.057	—	0.004**	0.84	0.098	—	0.490	—

* $p < 0.05$
** $p < 0.01$

CORE AND PERIPHERAL CULTURAL VALUES QUESTIONNAIRE

Descriptive statistics

Descriptive statistical analyses on the total sample of the Core and Peripheral Cultural Values Questionnaire are presented in Table 41 and Figure 13. Results differentiated according to sub-culture group are presented in Table 42 and Figure 14, and results differentiated according to gender are presented in Table 43. Respondents had to indicate how easy or difficult they think it would be for members of their own sub-culture group to change the mentioned cultural value dimensions as a result of inter-cultural contact. The higher the mean value, the more difficult it would be to change.

Table 41 Descriptive Statistics for the Core and Peripheral Cultural Values Questionnaire (Total Sample).

Cultural value dimension	*N*	($\bar{x}$)	SD	Min	Max
Uncertainty Avoidance	476	4.05	1.31	1.00	7.00
Gender Egalitarianism	476	3.83	1.48	1.00	7.00
Future orientation	476	3.87	1.43	1.00	7.00
Power Distance	476	4.04	1.39	1.00	7.00
Individualism/Collectivism	476	3.93	1.41	1.00	7.00
Humane Orientation	476	4.19	1.38	1.00	7.00
Performance orientation	476	3.77	1.43	1.00	7.00

Table 41 indicates that South African managers rated the Humane Orientation cultural value ($\bar{x}$ = 4.19) as the value most difficult to change, and the Performance Orientation cultural value ($\bar{x}$ = 3.77) as the value that would be easiest to change during inter-cultural contact. Figure 13 depicts the mean scores of the total sample ranked in descending order.

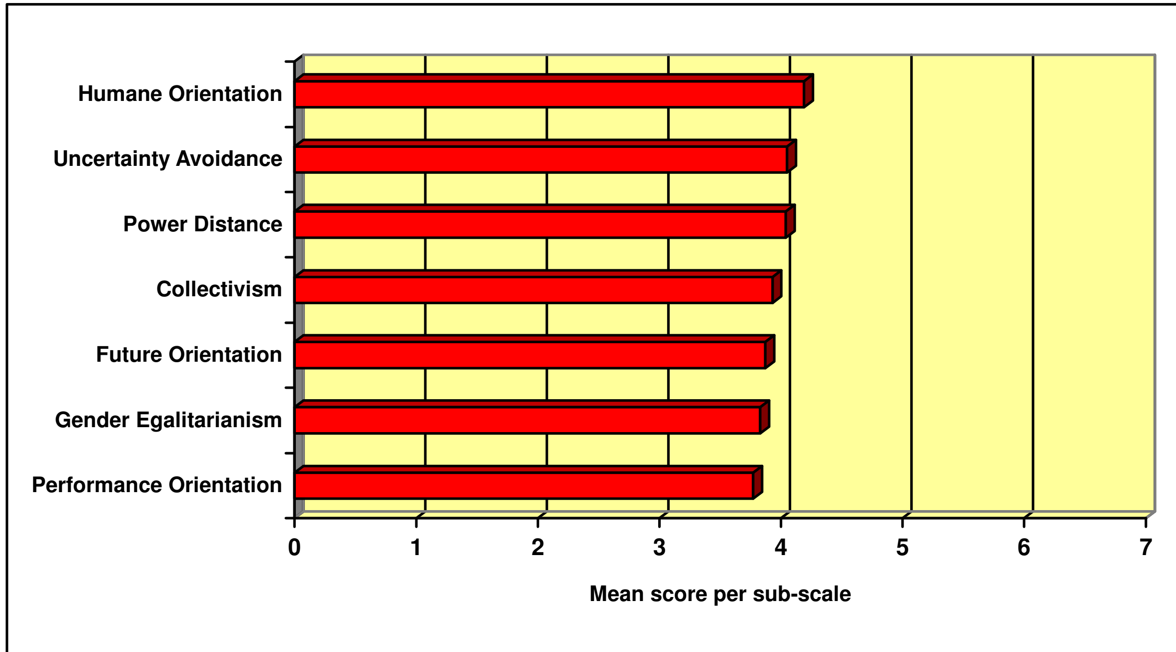

Figure 13 Mean scores of Cultural Value Dimensions on Core and Peripheral Cultural Values Questionnaire in Descending Order (Total Sample)

From Figure 13 is clear that although the Humane Orientation cultural value has been indicated as the value most difficult to change and the Performance Orientation cultural value as the value easiest to change during inter-cultural contact, the scores obtained on all the cultural values are not only very close, but there is an indication of central tendency, with all the scores very close to the seven-point scale midpoint of four.

Table 42 Descriptive Statistics for the Core and Peripheral Cultural Values Questionnaire (Differentiated according to Sub-culture Group).

Cultural value dimension	*n*	Sub-culture Group	($\bar{x}$)	SD	Min	Max
Uncertainty Avoidance	132	Black	3.90	1.53	1.00	7.00
	107	White	4.30	1.19	2.00	7.00
	112	Coloured	4.03	1.17	1.00	6.00
	125	Indian	4.00	1.25	1.00	7.00

Table 42 (Continued)

Cultural value dimension	*n*	Sub-culture Group	$(\bar{x})$	SD	Min	Max
Gender Egalitarianism	132	Black	3.86	1.63	1.00	7.00
	107	White	4.05	1.28	1.00	7.00
	112	Coloured	3.54	1.39	1.00	7.00
	125	Indian	3.88	1.52	1.00	7.00
Future orientation	132	Black	3.75	1.46	1.00	7.00
	107	White	4.19	1.25	1.00	7.00
	112	Coloured	3.76	1.44	1.00	6.00
	125	Indian	3.83	1.51	1.00	7.00
Power Distance	132	Black	4.05	1.58	1.00	7.00
	107	White	4.24	1.15	2.00	7.00
	112	Coloured	3.95	1.34	1.00	7.00
	125	Indian	3.94	1.39	1.00	7.00
Individualism/Collectivism	132	Black	3.92	1.50	1.00	7.00
	107	White	4.27	1.15	2.00	7.00
	112	Coloured	3.65	1.38	1.00	7.00
	125	Indian	3.90	1.50	1.00	7.00
Humane Orientation	132	Black	4.14	1.51	1.00	7.00
	107	White	4.50	1.18	2.00	7.00
	112	Coloured	4.06	1.43	1.00	7.00
	125	Indian	4.08	1.34	1.00	7.00
Performance orientation	132	Black	3.56	1.42	1.00	7.00
	107	White	4.21	1.25	1.00	7.00
	112	Coloured	3.48	1.43	1.00	7.00
	125	Indian	3.90	1.48	1.00	7.00

From Table 42 and Figure 14 it is evident that most of the scores are around the midpoint of four of seven-point scale. Nonetheless, managers from all four sub-culture groups indicated that the Humane Orientation cultural value would be the most difficult to change during inter-cultural contact.

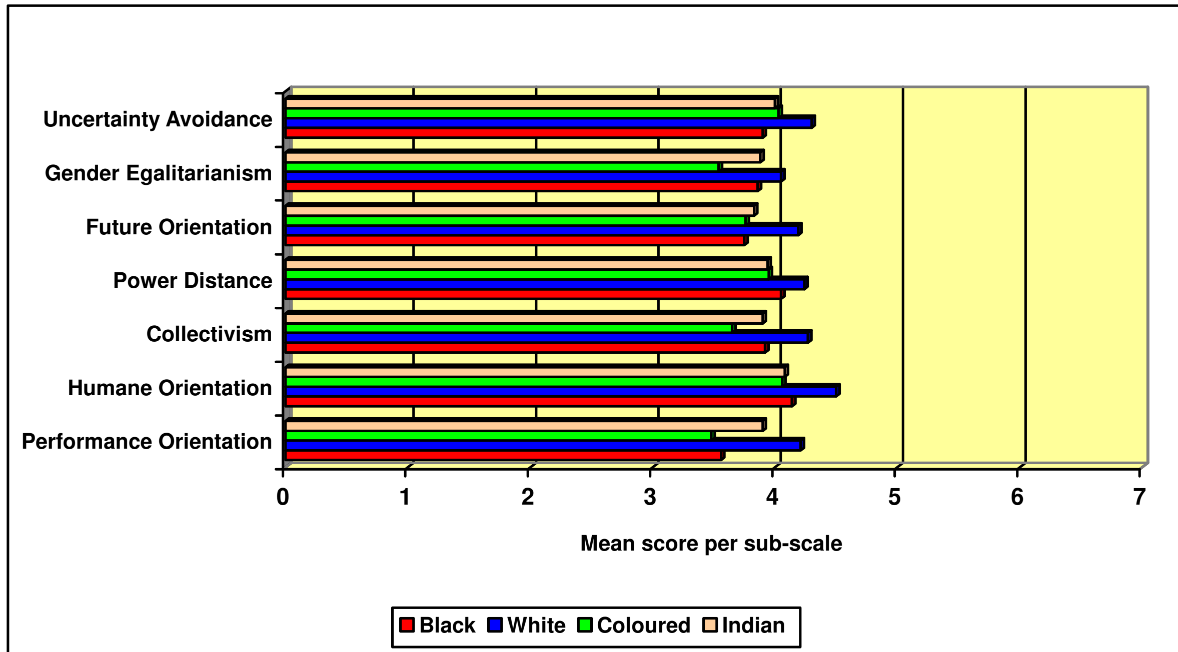

Figure 14 Mean Scores of Cultural Value Dimensions on Core and Peripheral Cultural Values Questionnaire in Descending Order (Differentiated according to Sub-culture Group)

According to the information provided in Table 43, most of the scores are around the midpoint of four of the seven-point scale. However, both male and female managers indicated that Humane Orientation would be the most difficult to change during inter-cultural contact.

Analysis of results

Analysis of variance was used to compare the means obtained from the cultural value dimensions (dependent variables) with the independent variables, namely the various cultural groups, gender, and possible interactions between culture and gender to determine whether

there are any reliable differences among them. In cases where reliable differences were found, post hoc comparisons were done, using Least Square Means.

No reliable differences existed on the Gender Egalitarianism, Future Orientation, Power Distance, and Humane Orientation dimensions between any of the independent variables.

The results of the ANOVA between the subgroups on the Uncertainty Avoidance cultural value of the Core and Peripheral Cultural Values Questionnaire are presented in Tables 44 and 45. The only statistically significant difference on this dimension ($p < 0.001$) was between the categories of the sub-culture group and gender interaction.

Table 43 Descriptive Statistics for the Core and Peripheral Cultural Values Questionnaire (Differentiated according to Gender).

Cultural value dimension	*n*	Gender	($\bar{x}$)	SD	Min	Max
Uncertainty Avoidance	245	Male	4.02	1.45	1.00	7.00
	231	Female	4.08	1.13	2.00	7.00
Gender Egalitarianism	245	Male	3.79	1.53	1.00	7.00
	231	Female	3.88	1.42	1.00	7.00
Future orientation	245	Male	3.83	1.47	1.00	7.00
	231	Female	3.92	1.38	1.00	7.00
Power Distance	245	Male	4.07	1.51	1.00	7.00
	231	Female	4.00	1.24	1.00	7.00
Individualism/Collectivism	245	Male	3.90	1.49	1.00	7.00
	231	Female	3.96	1.32	1.00	7.00
Humane Orientation	245	Male	4.28	1.51	1.00	7.00
	231	Female	4.09	1.22	1.00	7.00
Performance orientation	245	Male	3.73	1.54	1.00	7.00
	231	Female	3.83	1.30	1.00	7.00

Table 44 Analysis of Variance between Subgroups for Uncertainty Avoidance.

Independent variable groupings	DF	F Value	Prob > F
Sub-culture group	3	1.52	0.209
Gender	1	0.03	0.862
Sub-culture group x Gender	3	4.19	0.006**

** $p < 0.01$

From Table 45 it is clear that the Black male managers interpreted this cultural value as not very difficult to change, with a LSM of 3.63. This value was statistically significantly lower ($p < 0.001$) than that of White male managers (LSM = 4.41) with a medium effect size. It was also statistically significantly lower ($p < 0.01$) than that of Black female managers (LSM = 4.32) with a medium effect size, Coloured male managers (LSM = 4.26) with a small to medium effect size, and White female managers (LSM = 4.20, $p < 0.05$) with a small effect size. The value of Coloured female managers (LSM = 3.84) was also statistically significantly lower ($p < 0.05$) than that of Black female managers (LSM = 4.32) with a small effect size, and White male managers (LSM = 4.41) with a small effect size.

The results of the ANOVA between the subgroups on the Individualism/Collectivism cultural value of the Core and Peripheral Cultural Values Questionnaire are presented in Tables 46 and 47. From Table 46 it can be seen that there are statistically significant differences ($p < 0.05$) between the different sub-culture groups on this dimension. Of the four cultural groups (see Table 47), significant differences existed between the White, Coloured and Indian managers. White managers (LSM = 4.27) indicated that this cultural value would be more difficult to change ($p < 0.01$) than Coloured managers (LSM = 3.65) with a small effect size, and Indian managers (LSM = 3.89, $p < 0.05$) with a small effect size.

Table 45 Least Square Means: Sub-culture Group x Gender and Uncertainty Avoidance

	LSM	Black M		Black F		Clrd M		Clrd F		Indian M		Indian F		White M	
		P	***d***	***P***	***d***	***p***	***d***	***p***	***d***	***p***	***d***	***p***	***d***	***p***	***d***
Black M	3.63														
Black F	4.32	0.003**	0.53												
Clrd M	4.26	0.007**	0.49	0.811	—										
Clrd F	3.84	0.348	—	0.046*	0.37	0.086	—								
Indian M	3.98	0.104	—	0.160	—	0.257	—	0.524	—						
Indian F	4.02	0.083	—	0.212	—	0.325	—	0.447	—	0.890	—				
White M	4.41	<0.001***	0.60	0.719	—	0.555	—	0.019*	0.44	0.077	—	0.108	—		
White F	4.20	0.013*	0.44	0.615	—	0.800	—	0.133	—	0.368	—	0.454	—	0.389	—

* $p < 0.05$
** $p < 0.01$
*** $p < 0.001$

Table 46 Analysis of Variance between Subgroups for Individualism/Collectivism

Independent variable groupings	df	F Value	Prob > F
Sub-culture group	3	3.64	0.013*
Gender	1	0.29	0.592
Sub-culture group x Gender	3	1.17	0.322

* $p < 0.05$

Table 47 Least Square Means: Sub-culture Group and Individualism/Collectivism

	LSM	Black		Coloured		Indian	
		p	*d*	*p*	*d*	*p*	*d*
Black	3.95						
Coloured	3.65	0.090	—				
Indian	3.89	0.710	—	0.183	—		
White	4.27	0.090	—	0.001**	0.44	0.041*	0.27

* $p < 0.05$
** $p < 0.01$

The results of the ANOVA between the subgroups on the Performance Orientation cultural value of the Core and Peripheral Cultural Values Questionnaire are presented in Tables 48 and 49. From Table 48 it is clear that there are statistically significant differences ($p < 0.001$) between the different sub-culture groups on this dimension. Of the four cultural groups (see Table 6.46), White managers (LSM = 4.21) indicated that this cultural value would be more difficult to change ($p < 0.001$) than Coloured managers (LSM = 3.49) with a medium effect size, and Black managers (LSM = 3.56) with a small effect size. Indian managers (LSM = 3.91) indicated that this cultural value would be more difficult to change ($p < 0.05$) than Coloured managers (LSM = 3.49) with a small effect size.

Table 48 Analysis of Variance between Subgroups for Performance Orientation

Independent variable groupings	Df	F Value	Prob > F
Sub-culture group	3	6.19	<0.001***
Gender	1	0.54	0.463
Sub-culture group x Gender	3	0.50	0.681

*** $p < 0.001$

Table 49 Least Square Means: Sub-culture Group and Performance Orientation

	LSM	Black		Coloured		Indian	
		p	*d*	*p*	*d*	*P*	*d*
Black	3.56						
Coloured	3.49	0.682	—				
Indian	3.91	0.054	—	0.023*	0.30		
White	4.21	<0.001***	0.46	<0.001***	0.51	0.106	—

* $p < 0.05$
*** $p < 0.001$

COMPARISON OF RESULTS OF PRESENT STUDY WITH THE RESULTS OBTAINED BY BOOYSEN (1999)

Booysen (1999) investigated the differences and similarities regarding the above-mentioned cultural value dimensions with the Societal Questionnaire between White and Black managers from the financial services sector in South Africa. Although the present study utilised the same questionnaire within the same industry, the sample is different from that of Booysen, since it included Indian and Coloured managers, for a more holistic view of the cultural values of South African managers belonging to all four sub-culture groups. From Table 50 it is evident that, although there were statistically significant differences between the results on five of the eight cultural value dimensions, the effect sizes for all these significant differences were small. The average scores for Uncertainty Avoidance, Assertiveness, and Power Distance in the present study were all significantly lower than the average scores of Booysen's study, while the average scores of Individualism/Collectivism and Humane Orientation in the present study were statistically significantly higher than that obtained by Booysen.

The results of only White and Black managers in the two studies were compared in Table 51. The only statistically significant difference was on Power Distance, where the average score of White managers ($\bar{x} = 4.54$) in the present study was statistically significantly lower ($p < 0.05$) than the average score of White managers in Booysen's study ($\bar{x} = 4.80$). The effect size

for this statistically significant difference was small. Since the average scores of the cultural value dimensions between White and Black managers did not change statistically significantly since 1998, despite all the socio-political changes taking place in the country and in organisations, the assumption can be made that the differences reported in Table 50 are probably due to the inclusion of Indian and Coloured managers in the present study.

Table 50 Comparison of Results obtained with the Societal Questionnaire in Present Study with those obtained by Booysen (1999) on the Total Sample

Cultural value dimension	Present Study			Booysen (1999) Study			*t* test for two independent groups			
	n	$\bar{x}_1$	SD	*n*	$\bar{x}_2$	SD	*t*	df	*p*	*d*
Uncertainty Avoidance	422	4.79	0.99	263	4.95	0.86	2.23	683	0.026*	0.18
Assertiveness	422	4.18	1.09	263	4.60	1.12	4.81	683	0.000***	0.35
Gender Egalitarianism	422	3.50	0.98	263	3.41	0.99	1.16	683	0.246	—
Future orientation	422	4.62	1.13	263	4.74	1.01	1.44	683	0.150	—
Power Distance	422	4.55	1.02	263	4.76	1.02	2.62	683	0.009**	0.20
Individualism/Collectivism	422	5.15	0.77	263	4.83	0.88	4.84	683	0.000***	0.48
Humane Orientation	422	5.06	1.04	263	4.75	1.13	3.59	683	0.000***	0.26
Performance orientation	422	5.04	0.97	263	5.17	0.98	1.69	683	0.091	—

* $p < 0.05$
** $p < 0.01$
*** $p < 0.001$

Table 51 Comparison of Results obtained in Present Study with those obtained by Booysen (1999), differentiated by Sub-culture Group

Cultural value dimension	Sub-Culture group	Present Study			Booysen (1999) Study			*t* test for independent groups			
		n	$\bar{x}_1$	SD	*n*	$\bar{x}_2$	SD	*t*	df	*p*	*d*
Uncertainty Avoidance	Black	118	4.76	0.91	119	4.75	0.90	0.08	235	0.932	—
	White	98	4.91	0.85	144	5.11	0.80	1.83	240	0.068	—
Assertiveness	Black	118	4.20	1.12	119	4.39	1.10	1.31	235	0.190	—
	White	98	4.59	0.98	144	4.78	1.11	1.40	240	0.164	—
Gender Egalitarianism	Black	118	3.33	1.04	119	3.26	1.14	0.49	235	0.623	—
	White	98	3.62	0.93	144	3.53	0.83	0.77	240	0.443	—
Future orientation	Black	118	4.40	1.13	119	4.38	1.05	0.14	235	0.888	—
	White	98	4.92	0.79	144	5.04	0.87	1.10	240	0.269	—
Power Distance	Black	118	4.58	0.94	119	4.72	1.18	1.01	235	0.315	—
	White	98	4.54	1.01	144	4.80	0.87	2.07	240	0.040*	0.30
Individualism/ Collectivism	Black	118	5.47	0.70	119	5.40	0.76	0.73	235	0.463	—
	White	98	4.46	0.62	144	4.36	0.66	1.19	240	0.233	—
Humane Orientation	Black	118	5.34	1.03	119	5.36	1.05	0.15	235	0.882	—
	White	98	4.32	0.92	144	4.24	0.93	0.66	240	0.511	—
Performance orientation	Black	118	4.96	1.00	119	5.04	1.13	0.57	235	0.566	—
	White	98	5.26	0.83	144	5.28	0.28	0.23	240	0.819	—

* $p < 0.05$

Table 52 Comparison of Results obtained in Present Study with those obtained by Booysen (1999), differentiated by Gender

Cultural value dimension	Gender	Present Study			Booysen (1999) Study			*t* test for two independent groups			
		n	$\bar{x}_1$	SD	*n*	$\bar{x}_2$	SD	*t*	df	*p*	*d*
Uncertainty Avoidance	Male	225	4.83	0.91	172	5.00	0.93	1.82	395	0.067	—
	Female	197	4.74	1.07	91	4.87	0.74	1.19	286	0.235	—
Assertiveness	Male	225	4.29	1.08	172	4.80	1.05	4.72	395	0.000^{***}	0.45
	Female	197	4.04	1.09	91	4.22	1.16	1.24	286	0.215	—
Gender Egalitarianism	Male	225	3.39	1.01	172	3.30	0.97	0.90	395	0.370	—
	Female	197	3.63	0.92	91	3.60	1.00	0.24	286	0.809	—
Future orientation	Male	225	4.69	1.12	172	4.90	1.00	1.96	395	0.051	—
	Female	197	4.54	1.14	91	4.50	0.98	0.30	286	0.761	—
Power Distance	Male	225	4.54	1.07	172	4.81	0.97	2.62	395	0.009^{**}	0.26
	Female	197	4.55	0.97	91	4.67	1.10	0.89	286	0.375	—
Individualism/Collectivism	Male	225	5.21	0.72	172	4.91	0.87	3.65	395	0.000^{***}	0.48
	Female	197	5.07	0.83	91	4.67	0.84	3.75	286	0.000^{***}	0.58
Humane Orientation	Male	225	5.06	1.04	172	4.67	1.12	3.54	395	0.000^{***}	0.34
	Female	197	5.05	1.05	91	4.89	1.14	1.13	286	0.260	—
Performance orientation	Male	225	5.11	0.90	172	5.31	0.94	2.13	395	0.033^{*}	0.24
	Female	197	4.96	1.04	91	4.92	1.00	0.31	286	0.757	—

* $p < 0.05$
** $p < 0.01$
*** $p < 0.001$

In the comparison of the results between male and female managers (Table 52) in the two studies, there were statistically significant differences on five of the eight cultural value dimensions. The average score of male managers on Assertiveness in the present study ($\bar{x}$ = 4.29) was significantly lower ($p < 0.001$) than that of male managers in Booysen's (1999) study ($\bar{x}$ = 4.80) with a small effect size. The average Power Distance score of male managers

in the present study ($\bar{x}$ = 4.54) was also statistically significantly lower ($p < 0.01$) than that of male managers in Booysen's study ($\bar{x}$ = 4.81) with a small effect size, while the average of male managers in the present study on Performance Orientation ($\bar{x}$ = 5.11) was also statistically significantly lower ($p < 0.05$) than that of male managers in Booysen's study ($\bar{x}$ = 5.31), again with a small effect size. On the Individualism/Collectivism dimension, the average scores for both male ($\bar{x}$ = 5.21) and female managers ($\bar{x}$ = 5.07) in the present study were statistically significantly higher ($p < 0.001$) that that of male ($\bar{x}$ = 4.91) and female managers ($\bar{x}$ = 4.67) in Booysen's study. The effect size for the statistically significant difference between male managers was small, while the effect size for the statistically significant difference between female managers was medium. Based on the discussion of the results of Table 51, it is clear that here too the statistically significant differences could be ascribed to the inclusion of Indian and Coloured managers in the present study.

MULTIFACTOR LEADERSHIP QUESTIONNAIRE

Descriptive statistics

Descriptive statistical analyses for the total sample on the dimensions of the MLQ, as well as composite scores for the three leadership styles, are presented in Table 53. Results of the individual MLQ sub-scales are reported only for comparative purposes and will not be discussed. As indicated before, the exploratory factor analysis of the functioning of the MLQ in the present study indicated the presence of three leadership factors, namely Transformational, Transactional and Passive-Corrective. According to Table 53, South African managers evaluated themselves as more Transformational ($\bar{x}$ = 3.13) than Transactional ($\bar{x}$ = 2.17), or Passive-Corrective ($\bar{x}$ = 0.86) on a four-point scale. The same pattern was also evident in Tables 54 and 55, where managers belonging to all four sub-culture groups, as well as male and female managers, rated themselves as more Transformational than Transactional or Passive-Corrective.

Table 53 Descriptive Statistics for the Dimensions of the MLQ (Total Sample)

Dimension	*N*	$\bar{x}$	SD	Min	Max
Idealised Influence	477	3.06	0.50	0.75	4.00
Inspirational Motivation	477	3.25	0.51	1.25	4.00
Intellectual Stimulation	477	3.09	0.52	1.25	4.00
Individualised Consideration	477	3.20	0.53	1.00	4.00
Contingent Reward	477	3.10	0.55	1.25	4.00
Management-by-Exception (Active)	477	2.39	0.84	0.00	4.00
Management-by-Exception (Passive)	477	1.10	0.68	0.00	3.25
Laissez-Faire	477	0.61	0.63	0.00	3.50
Leadership styles					
Transformational leadership	477	3.13	0.41	1.12	4.00
Transactional leadership	477	2.39	0.85	0.00	4.00
Passive-Corrective leadership	477	0.86	0.55	0.00	3.17

Analysis of results

Analysis of variance was used to compare the means obtained from the three leadership style clusters (dependent variables) with the independent variables, namely the various cultural groups, gender, age, educational level, management level, number of years full-time work experience, number of years experience as manager, exposure to formal western management training, and possible interactions between the independent variables to determine whether there are any reliable differences among them. It was, however, not possible to include all the possible interactions between the independent variables, because some of the interactions were confounded. No reliable differences were found on any of the three leadership style clusters between any of the independent variables.

Table 54 Descriptive Statistics for the Dimensions and Composite Scores of Leadership Styles of the MLQ, differentiated according to the Four Sub-culture Groups

Cultural value dimensions	*n*	Sub-Culture Group	$\bar{x}$	SD	Min	Max
Idealised Influence	118	Black	3.09	0.53	0.75	4.00
	98	White	3.14	0.48	1.88	4.00
	97	Coloured	3.06	0.52	1.62	4.00
	109	Indian	2.95	0.43	1.75	3.87
Inspirational Motivation	118	Black	3.33	0.51	1.25	4.00
	98	White	3.11	0.48	1.75	4.00
	97	Coloured	3.26	0.47	1.75	4.00
	109	Indian	3.29	0.54	1.50	4.00
Intellectual Stimulation	118	Black	3.12	0.54	1.25	4.00
	98	White	2.98	0.52	1.50	4.00
	97	Coloured	3.07	0.47	1.75	4.00
	109	Indian	3.16	0.55	1.75	4.00
Individualised Consideration	118	Black	3.21	0.52	1.00	4.00
	98	White	3.25	0.45	1.75	4.00
	97	Coloured	3.24	0.58	1.50	4.00
	109	Indian	3.11	0.56	1.25	4.00
Contingent Reward	118	Black	3.11	0.60	1.50	4.00
	98	White	3.04	0.53	1.25	4.00
	97	Coloured	3.21	0.49	2.00	4.00
	109	Indian	3.06	0.55	1.25	4.00

Table 54 (Continued)

Cultural value dimensions	*n*	Sub-Culture Group	$\bar{x}$	SD	Min	Max
Management-by-Exception (Active)	118	Black	2.44	0.83	0.50	3.75
	98	White	2.23	0.82	0.00	4.00
	97	Coloured	2.49	0.82	0.75	4.00
	109	Indian	2.37	0.88	0.75	4.00
Management-by-Exception (Passive)	118	Black	0.95	0.66	0.00	2.75
	98	White	1.18	0.64	0.00	2.50
	97	Coloured	1.07	0.70	0.00	3.00
	109	Indian	1.20	0.71	0.00	3.25
Laissez-Faire	118	Black	0.58	0.61	0.00	3.00
	98	White	0.64	0.62	0.00	3.50
	97	Coloured	0.66	0.65	0.00	3.00
	109	Indian	0.58	0.63	0.00	3.33
Leadership Styles						
Transformational leadership	118	Black	3.15	0.42	1.12	4.00
	98	White	3.03	0.35	2.00	3.96
	97	Coloured	3.20	0.40	2.29	3.87
	109	Indian	3.12	0.42	1.79	3.96
Transactional leadership	118	Black	2.43	0.82	0.50	3.75
	98	White	2.25	0.84	0.00	4.00
	97	Coloured	2.52	0.81	0.75	4.00
	109	Indian	2.38	0.90	0.00	4.00
Passive-Corrective leadership	118	Black	0.78	0.52	0.00	2.75
	98	White	0.88	0.53	0.00	2.62
	97	Coloured	0.89	0.56	0.00	2.62
	109	Indian	0.88	0.59	0.00	3.12

Table 55 Descriptive statistics for the Dimensions and Composite Scores of Leadership Styles of the MLQ, differentiated according to Gender

Cultural value dimensions	*n*	Gender	$\overline{x}$	SD	Min	Max
Idealised Influence	225	Male	3.06	0.51	0.75	4.00
	197	Female	3.08	0.48	1.75	4.00
Inspirational Motivation	225	Male	3.24	0.50	1.25	4.00
	197	Female	3.27	0.52	1.75	4.00
Intellectual Stimulation	225	Male	3.09	0.52	1.25	4.00
	197	Female	3.09	0.54	1.67	4.00
Individualised Consideration	225	Male	3.10	0.56	1.00	4.00
	197	Female	3.32	0.48	2.00	4.00
Contingent Reward	225	Male	3.09	0.54	1.50	4.00
	197	Female	3.11	0.56	1.25	4.00
Management-by-Exception (Active)	225	Male	2.34	0.81	0.50	4.00
	197	Female	2.44	0.87	0.00	4.00
Management-by-Exception (Passive)	225	Male	1.16	0.65	0.00	2.75
	197	Female	1.03	0.71	0.00	3.25
Laissez-Faire	225	Male	0.59	0.59	0.00	3.00
	197	Female	0.64	0.67	0.00	3.50

Table 55 (Continued)

Cultural value dimensions	*n*	Gender	$\bar{x}$	SD	Min	Max
Leadership Styles						
Transformational leadership	225	Male	3.11	0.42	1.12	4.00
	197	Female	3.15	0.39	1.92	3.96
Transactional leadership	225	Male	2.34	0.79	0.50	4.00
	197	Female	2.46	0.89	0.00	4.00
Passive-Corrective leadership	225	Male	0.87	0.53	0.00	2.75
	197	Female	0.84	0.58	0.00	3.12

CORRELATIONS BETWEEN THE SOCIETAL QUESTIONNAIRE AND THE MLQ

The sub-scales of the Societal Questionnaire were correlated with the three leadership style clusters of the MLQ to explore the possible relationships between the various cultural value dimensions and Bass and Avolio's (Avolio et al., 1999; Bass, 1985) Full Range Model of Leadership. Although a few statistically significant relationships can be seen in Table 56, the correlations between the sub-scales were very small and therefore the assumption could be made that these statistically significant relationships were due to the large sample size. Only four correlations were higher than 0.1, and these were between Transformational leadership and the Individualism/Collectivism sub-scale ($r = 0.126$, $p < 0.01$), and between Transformational leadership and the Performance Orientation sub-scale ($r = 0.118$, $p < 0.01$). There was a negative correlation ($r = -0.105$, $p < 0.05$) between Passive-Corrective leadership and the Humane Orientation sub-scale, and between Passive Corrective Leadership and the Future Orientation sub-scale ($r = -0.101$, $p < 0.05$).

Table 56 Correlations between the Societal Questionnaire and the MLQ

	Societal Questionnaire							
MLQ	Uncertainty Avoidance	Assertiveness	Gender Egalitarianism	Future Orientation	Power Distance	Individualism/ Collectivism	Humane Orientation	Performance Orientation
Transformational leadership	-0.02	0.062	0.042	-0.013	-0.015	0.126	0.090	0.118
p	0.735	0.173	0.36	0.774	0.738	0.006**	0.049*	0.010**
Transactional leadership	0.061	0.095	0.042	-0.071	-0.038	-0.013	-0.032	0.033
p	0.185	0.037*	0.357	0.121	0.406	0.774	0.491	0.466
Passive-Corrective leadership	0.012	-0.02	-0.052	-0.101	0.064	-0.093	-0.105	-0.058
p	0.792	0.661	0.259	0.028*	0.162	0.043*	0.021*	0.205

* $p < 0.05$
** $p < 0.01$

CONCLUDING REMARKS

From the descriptive statistics on the sample provided in this chapter, it is evident that the numbers of respondents sampled according to sub-culture group, gender, and management level were relatively comparable. The availability of detailed lists of names, stratified according to sub-culture group, gender, and management level, made it possible to include comparable numbers of male and female managers within each management level belonging to the four sub-culture groups in the sample. As indicated earlier on, Hofstede (1998) argued that samples for cross-cultural studies like this one, need not be representative of the national population, but that they should be functionally equivalent, or matched to ensure that researchers compare like with like.

The psychometric properties of the various measuring instruments were also reported and discussed. Construct validity was determined by means of a factor analysis and internal consistency was assessed by means of Cronbach's coefficient alpha. The factor analysis of the Societal Questionnaire showed that two of the identified six factors contained items of more than one sub-scale. Although the sub-scales contained in these two factors were positively correlated, a decision was made to retain the original nine sub-scales of the Project-GLOBE Questionnaire for purposes of comparability of the results with that of published data of Project-GLOBE. Cronbach alphas for the Societal Questionnaire ranged from 0.52 to 0.78. The factor analysis of the MLQ yielded three factors that were almost similar to Bass' (1985) theoretical model, namely a Transformational, Transactional, and Laissez-Faire factor. However, the Transformational factor included the Contingent Reward sub-scale, while the Laissez-Faire factor included the Management-by-Exception (Passive) sub-scale. The Cronbach alphas of the three leadership styles ranged from 0.61 to 0.85.

Results obtained with the Societal Questionnaire, MLQ, and Core and Peripheral Cultural Values Questionnaire were presented by means of descriptive statistics, ANOVA, least square means, effect size, t tests, and correlations. The interpretation of these results will be discussed in Chapter 7 in terms of the literature overview presented in Chapters 2, 3, and 4.

CHAPTER 7
DISCUSSION OF RESEARCH RESULTS

INTRODUCTION

The results of the 477 managers in the financial services sector represented in the sample were presented in Chapter 6 and consisted of statistical analysis to examine and explore differences and similarities between male and female managers belonging to the four South African sub-cultural groups. These results will be discussed in depth in this chapter, according to the research objectives as stated in Chapter 5.

The first objective of this study was to examine sub-cultural differences and similarities between male and female managers in the financial services sector belonging to the four South African sub-cultural groups (Black, Coloured, White, and Indian). It was also indicated in Chapter 2 that the interpretation of the findings of the present study would be done within a moderate social constructionist framework. As such, the analysis of the cultural value results were not only compared with the four sub-cultural groups and gender as independent variables, but also included age, educational level, management level, number of years full-time work experience, number of years experience as manager, exposure to formal Western management training, and possible interactions between the independent variables.

A second objective was to determine whether cultural values change indiscriminately during situations where members of different sub-culture groups are in constant interaction with each other or whether some values, labelled peripheral values, change easier or before other values, labelled core values.

A third objective was to ascertain whether the differences and similarities of the cultural dimensions between White and Black, male and female managers changed in any way since 1998, as determined by Booysen (1999), possibly as a consequence of socio-political changes taking place in the country.

The fourth and final objective was to explore the differences and similarities of South African managers with regard to transactional and transformational leadership, as measured by means of Bass and Avolio's MLQ, as well as possible interactions between the cultural value dimensions and this leadership model (Avolio & Bass, 1999; Bass, 1985).

SUB-CULTURAL DIFFERENCES AND SIMILARITIES OF SOUTH AFRICAN MANAGERS ON THE CULTURAL VALUE DIMENSIONS

As discussed in Chapter 6, ANOVAs were used to compare the means obtained from the cultural dimensions (dependent variables) with the independent variables, and possible interactions between the independent variables to determine whether there were any reliable differences among them. In cases where reliable differences existed, *post hoc* comparisons were done, using LSMs.

Being conscious of the fact that the independent variables are social constructions and that assumptions based on "significant" but small differences often lead to the entrenchment of certain prejudices, attitudes, and beliefs, the effect size was included as an index of practical significance. The effect size was only calculated for statistically significant relationships. Results of the ANOVAs between the independent variables and the various cultural value dimensions will now be discussed for each of the cultural value dimensions.

As previously indicated, on all sub-scales a high score indicates a high degree of the characteristic concerned. A high score on the Individualism/Collectivism dimension indicates a high degree of Collectivism.

It might be possible to explain some of the differences that were found in psychodynamic terms, based on historical, political, economic, and educational variables, or even in terms of patterns of family upbringing. However, since such explanations would be highly speculative and beyond the objectives of the present study, none will be ventured.

Uncertainty Avoidance

Members of high uncertainty avoidance societies tend to rely heavily on formalised policies and procedures, and establishing and following complicated rules, while taking more calculated risks. Members of these societies show less tolerance for breaking rules and they show a stronger resistance to change, whereas members from low uncertainty avoidance societies show more tolerance for breaking rules and show less resistance to change. As a result, they rely on informal interactions and norms rather than formalised policies, procedures and rules, and are less calculating when taking risks (Sully de Luque & Javidan, 2004).

The results of the ANOVA between the various independent variables and Uncertainty Avoidance indicated statistically significant differences between Uncertainty Avoidance (dependent variable) and sub-culture group (independent variable) only.

The Indian group had the highest score for Uncertainty Avoidance and the Coloured group the lowest. The Indian group was followed by the White group with the second highest score with no statistically significant difference between the two scores. The Black group had the third highest score. Although there was a statistically significant difference between the score of the Indian and Black group, the effect size, or practical significance, was small. The score of the Coloured group was statistically significantly lower than that of all three the other sub-cultural groups with medium to high effect sizes. Based on the effect sizes, it seems that the Black, White and Indian managers in the financial services sector show a higher intolerance for uncertainty than Coloured managers. All four the scores obtained on Uncertainty Avoidance were, however, above average. This implies that all the sub-culture groups are likely to display behaviour aimed at minimising risk and containing anxiety caused by uncertainty, but that Coloured managers have a somewhat higher tolerance for uncertainty than the other three sub-culture groups. Keeping in mind that all the scores were above average, Coloured managers are likely to be more comfortable with less structured activities and situations and fewer written organisational rules. It is also probable that these managers are more interpersonally orientated and flexible in their style, compared to Black, White, and

Indian managers who might be more task orientated and consistent in their style (Hofstede, 1980a).

Based on some literature (Gupta, Surie, Javidan, & Chokar, 2002; Sully de Luque & Javidan, 2004), it seems that the Indian managers in the South African sample displayed a higher intolerance for uncertainty compared with Indian managers in India. Booysen (1999) mentioned that due to several differences between African and Western world views, and the African perspective of not having control over the future, Black people are likely to display a greater tolerance for uncertainty than White people. This view does not seem to be supported by the results of the present study. Even though the mean score of Black managers was lower than that of White managers, it was not significantly lower.

Assertiveness

The ANOVA between the various independent variables on the Assertiveness cultural value dimension indicated statistically significant differences between Assertiveness (dependent variable) and sub-culture group, gender, and educational level (independent variables).

With respect to the *sub-culture* groups, Black, Coloured and White South African managers scored above average on Assertiveness, while Indian South African managers scored below average. The White group had the highest score for Assertiveness and the Indian group the lowest. Although the scores of the Coloured group and the Black group were statistically significantly lower than that of the White group, the practical significance of these differences were small. However, the score of the Indian group was significantly lower (with medium to high practical significance) than the scores of all three other sub-culture groups. The low Assertiveness score of Indian South African managers was highly similar to the score obtained by managers from India in Project-GLOBE (den Hartog, 2004).

Results of the present study indicated that Black, Coloured, and White managers in the financial services sector displayed more or less the same level of assertiveness, and that Indian managers tended to have a lower level of assertiveness than managers belonging to the

three other sub-culture groups. These results imply that Indian managers could view assertiveness as socially unacceptable, with a preference for modesty and tenderness. The lower Assertiveness score could also indicate that Indian managers value co-operation, emphasise tenderness, equality, quality of life, and value who employees are more than *what they do*. Black, Coloured, and White managers could be prone to value assertiveness, dominanance, toughness, and competitive behaviour in the organisation, and value what employees do more than *who they are* (den Hartog, 2004).

With respect to *gender*, assertiveness is often associated more with men than with women, while women are often categorised and stereotyped as meek and submissive (den Hartog, 2004). Both male and female South African managers scored above average on Assertiveness, but male managers had a statistically significantly higher score than female managers. However, the practical significance of this difference was small, indicating that the evaluation of both gender groups on this dimension was less stereotypical than is usually assumed.

The fact that the sample consisted of managers in the financial services sector, where both males and females have to perform in an uncompromising and competitive environment, can be another reason why female managers were not practically significantly less assertive than male managers. The fact that females have managed to become managers in the corporate environment can indicate some inherent degree of assertiveness, which may differ from assertiveness levels of other females in the organisation or in society. Eagly and Johnson (1996) pointed out that the corporate environment favours and rewards stereotypical masculine values and practices that conform to gender-based values. Another reason for the less stereotypical evaluation on Assertiveness could also be linked to the fact that female managers are often required to prove themselves over-and-over again within a male dominated environment (Oakley, 2000), with the possible implication that the present finding could be a consequence of females adapting to traditional masculine organisational demands.

In terms of *educational levels*, respondents with banking-related qualifications were statistically significantly more assertive than respondents with Grade 12 and tertiary qualifications. The effect size indicated that managers with banking-related qualifications

were significantly more assertive than managers with tertiary qualifications, irrespective of race, gender and age. Considering these results, the assumption could be made that the focus of the banking-specific qualification encourages more assertive behaviour within the sector — competition, growth, and career advancement. This could imply that these managers are more self-assured or at home in the financial services sector, which is characterised by strong internal competition, the aggressive pursuit of market growth and earnings, career advancement, and strong-willed and determined management practices. On the contrary it could be assumed that exposure to other fields of study at tertiary level, which seems to create greater diffidence, could lead to less assertive behaviour related to power sharing, collaboration and high quality relationships with team members (Booysen, 1999; den Hartog, 2004; Hofstede, 1980a).

Gender Egalitarianism

This dimension relates to the fundamental values, beliefs, and attitudes held by members of a specific society regarding gender stereotypes and gender-role ideology, while behaviours relate to gender discrimination as opposed to gender equality. High gender egalitarianism refers to societies that actively seek to minimise differences between the roles of males and females in all aspects of the community. As such, these societies rely less on gender to determine the allocation of roles between males and females. Low gender egalitarianism societies actively seek to maximise differences in the roles allocated to men and women, leading to inequality of participation by men and women in the same areas (Emrich et al., 2004).

The ANOVA between the various independent variables on the Gender Egalitarianism cultural value dimension only indicated statistically significant differences between Gender Egalitarianism (dependent variable) and the various educational categories (independent variable).

Although there were statistically significant differences on Gender Egalitarianism between managers with different qualifications, the practical significance was small. As such, the

assumption could be made that there were practically no significant differences between any of the independent variables and Gender Egalitarianism. This seems to indicate that, irrespective of age, race, and gender, all South African managers in the financial services sector tend to maximise gender differentiation.

Booysen (1999) found a significant statistical difference between Black and White managers, with Black managers showing more gender differentiation than White managers. There were no statistically significant differences between managers of the four sub-culture groups in the present study, although this was the cultural value dimension with the lowest scores for all four sub-culture groups. This was also true for male and female managers belonging to all four sub-culture groups. Although female managers differentiated less between the genders than males, their score was still below average. This is in agreement with Hofstede's (1980a) view that most women are accomplice to maintaining the male dominance in male dominated societies and that both males, and females collude to maintain the status quo.

Future Orientation

Ashkanasy et al. (2004) pointed out that cultures with a low future orientation are spontaneous and live in the moment. However, they do not always realise that their current behaviour may influence the realisation of their future goals. They have a tendency to spend rather than to save for the future, and as a result, these cultures often achieve lower levels of economic success. In contrast, cultures with high future orientation plan for unforeseen events, define and strive to achieve future goals, develop strategies for meeting their future aspirations, and delay gratification. These cultures also seem to achieve economic success, and have a tendency to save for the future. Due to the fact that members of these cultures often neglect their present personal and social relationships, they do not always appreciate situational realities.

The ANOVA between the various independent variables on the Future Orientation cultural value dimension only indicated statistically significant differences between Future Orientation (dependent variable) and sub-culture group (independent variable).

With respect to the *sub-culture groups*, Indian managers obtained the highest Future Orientation score, which was considerably higher than the score obtained by managers from India in Project-Globe. This score was followed by White managers, with no significant difference between the scores of White and Indian managers. Coloured managers had the lowest Future Orientation score and Black managers the second lowest score. Although the score of Black managers was statistically significantly higher than that of Coloured managers, the practical significance was small. The scores of Indian and White managers were statistically significantly higher than the score of Black managers with a medium practical significance, which implied that the difference is detectable and might indicate practical significance; it was also statistically significantly higher than that of the Coloured managers, with a large practical significance.

It would seem that South African managers could be divided into high and low future orientation clusters, with White and Indian managers displaying a greater future orientation, and Black and Coloured managers displaying a lower future orientation. Not much has been published on the cultural world views of the Coloured group, but Jeppe (1994) explained that Black people often have a circular and flexible event-related perception of time, while White people commonly have a linear, continuum-related perception of time with a planned future. As such, Black managers are perhaps likely to have a more immediate orientation and may not necessarily plan or prepare for events that may or may not happen in the future. With the score of Coloured managers even lower than that of Black managers in the present study, Coloured managers may hypothetically have a similar concept of time as Black managers.

Power Distance

Power distance essentially indicates the measure of interpersonal power between individuals and refers to the degree of inequality between more powerful and less powerful individuals within the same social system. Carl, Gupta, and Javidan (2004) and Hofstede (1980a) wrote that power is seen as an essential dimension in providing social order in high power distance societies. There is limited upward social mobility, and information is highly controlled. Only

a few people have access to resources, skills and capabilities, which contributes to low human development and low life expectancies. In lower power distance societies there is a large middle class and power bases are temporary and sharable. There is a high upward social mobility and power is experienced negatively. Information is freely available and widely shared.

The ANOVA between the various independent variables on the Power Distance cultural value dimension showed statistically significant differences between Power Distance (dependent variable) and the interaction between sub-culture group and gender, educational level, and the interaction between educational level and gender (independent variables).

Considering the interaction of *sub-culture group and gender*, the only statistically significant difference between males and females of the same sub-culture group was between White male managers and White female managers with a medium practical significance. When comparing White male managers with a diverse group of managers, they seem to display a higher degree of Power Distance than White female, Indian Male, and Black female managers. When comparing Coloured female managers with a diverse group of managers, they seem to display a higher degree of Power Distance than White female and Indian male managers. The fact that all the statistically significant differences between the Power Distance scores discussed indicated a medium effect size, casts some doubt on the practical significance of the differences. Nonetheless, the data clearly indicate that, male and female managers of all sub-cultural groups displayed above average Power Distance scores. This could impact on organisational attempts to create lower power distance cultures in a contemporary, learning and knowledge-based environment. From a Western perspective, lower power distance, empowerment, shared or team decision making, and semi-autonomous teams are more effective in organisational settings. This adds to employee beliefs of self-efficacy and feelings of control, which enhances work satisfaction and productivity. Carl et al. (2004) warned that attempts to create more egalitarian organisational cultures in high power distance societies will fail if the impact of managers' and supervisors' higher need for authority, power, and status differences is ignored during the transformation process.

With regard to *educational level,* all the scores on Power Distance obtained by respondents with a Grade 12, banking-related, and tertiary qualifications were above the average. The only statistically significant difference was between respondents with tertiary qualifications and those with a Grade 12 qualification. However, the effect size of this difference was small, with the implication that educational levels tended not to have an effect on participant groups' power distance orientation.

The Power Distance scores of the interaction of *educational level and gender* were all higher than average. The only statistically significant difference between males and females belonging to the same sub-culture group and with the same qualification was between White male managers with banking-related qualifications and White female managers with banking-related qualifications, with a medium effect size. The Power Distance scores of male managers with a banking-related qualification and a tertiary qualification were both statistically significantly higher than that of male managers with a Grade 12 qualification, however, with non-significant practical significance. Male managers with a Grade 12 qualification and female managers with banking-related qualifications also had statistically significantly lower Power Distance scores than female managers with a tertiary qualification, both with a medium effect size.

As is the case with the interaction of sub-culture group and gender on Power Distance discussed earlier, the fact that all the statistically significant differences between the Power Distance scores on the interaction between educational level and gender indicated small to medium effect sizes, cast some doubt on the practical significance of the differences. Nonetheless, all the scores on Power Distance in the interaction between educational level and gender were higher than average.

Even though it is not possible to make any conclusive interpretations of the data, results of this study indicate that Khoza's (1994) point of view that power stratification is lower among Blacks than among Whites, is not supported. As is the case on the Assertiveness cultural value dimension, a possible explanation could be the sample composition. The sample consisted of managers that were already in a position that commands a certain degree of

power in a very competitive sector of the economy. Booysen (1999) also stated that Black people becoming managers could already indicate some degree of power orientation, thereby setting them apart from the general population. Another reason may also be that Black, Coloured, and Indian employees are expected to fit in with current organisational practices and bear the burden for adjusting to organisational cultures which are not sensitive to other cultures, thereby reactively developing a higher degree of power orientation.

Not much has been published regarding the power orientation of the Coloured sub-culture group and, as such, it is difficult to interpret the findings, other than to say that the power orientation of Coloured managers were above average and similar to that of Black and White managers. The Power Distance score of Indian managers in the South African sample was much lower than that of managers from India in the Project-GLOBE study. Sinha (1997) and Gupta et al. (2002) described the Indian society as a high Power Distance society, due to the historically rigid and hierarchical categorisation of various socio-economic and religious classes. While Indian managers in South Africa may still subscribe to the same religious worldviews as are prevalent in India, the interpretation and application of those worldviews may differ due to exposure to other cultures in the South African society as a whole.

It is also clear that culture group and gender are not the only important variables when discussing power orientation, and that the influence of educational level on this dimension should be investigated further.

Individualism/Collectivism

This dimension ultimately describes the relationship between the individual and the various groups that exist in a particular society. In an individualistic society, the focus is on individual success, self-actualisation and self-respect. Job-life and private-life are almost compartmentalised and set apart — task comes before relationship. Employees are not focussed on the team and seek the satisfaction of a job well done. They are encouraged to work independently; individuality is allowed and recognition and rewards are focussed on the individual, as opposed to the team.

In a collectivistic society people think of themselves as "we" rather than "I" and individual goals are compatible with the goals of in-groups — giving priority to in-group goals when there is discrepancy between the two sets of goals. Collectivists accept that the job-life can invade the private-life, but also expect employers to be accommodating when they have to fulfil family duties. Collectivists are often team players and seek the satisfaction of a job well recognised. They are focussed on collaboration, interdependence and conformity to group goals are encouraged. Recognition and rewards are focussed on the team (Hofstede, 1980a, 1984).

The ANOVA between the various independent variables on the Individualism/Collectivism cultural value dimension showed statistically significant differences between Individualism/Collectivism (dependent variable) and sub-culture group, the interaction between sub-culture group and gender, and the interaction of sub-culture group and management level (independent variables).

In terms of *sub-culture group,* Indian managers had the highest Individualism/Collectivism score (more collectivist), followed by Black managers. Both of these scores were statistically significantly higher than those of the Coloured managers with a medium effect size and that of White managers with a large effect size. White managers had the lowest score on this dimension indicating that they were more individualistic than Black and Indian managers.

Although Indian managers had the highest score on this dimension, it was not statistically higher than the score of Black managers and, consequently, they could be clustered together as a high collectivist grouping in the South African environment. The score of Coloured managers was statistically significantly higher than that of White managers and lower than that of Black managers, both with a medium effect size. This implied that the difference is detectable and might indicate practical significance. The score of Coloured managers was also statistically significantly lower than that of Indian managers with a large effect size, indicating practical importance. Coloured managers can therefore be placed inbetween the

high collectivist group, consisting of Indian and Black managers, and the low collectivist group (or high individualist), consisting of the White managers.

The implications of these results are far reaching for the South African financial services sector. With three distinct managerial clusters, from collectivist to individualist, managerial assumptions about the nature of employees and how the organisation needs to be structured, could vary considerably. Gelfand et al. (2004) remarked that the organisational culture is influenced by the socio-cultural context, and as such, managers with individualistic values could consider themselves largely independent of the organisation, while managers with collectivist values could consider themselves as highly interdependent with the organisation. Managers who are more collectivistic are likely to assume that employees within their organisations should act in accordance with group needs and should compromise their own needs for the benefit of the group, while managers who are more individualistic could empasise the importance of individual employee rights over and above those of the group.

When considering the results of the Black and White group only, results confirmed Booysen's (1999) findings that indicated statistical differences between her White and Black managerial groups. It also confirmed Broodryk's (1997) arguments that the African philosophy of *ubuntu* is opposed to the competitiveness that flows from individualism and emphasises the importance of concern for others, as well as working together for the common good of the group (collectivism).

Broodryk (1997) also stated that in the African context, people can speak without interruption at meetings that last for hours, because all individuals are considered equal — they are free to voice their opinion. This implies a relationship of low power stratification (power distance) with collectivism, which does not seem to be supported by the results of the present study. However, since Power Distance (inequality) and Collectivism (social integration) are conceptually two different concepts, it is possible for a collectivist also to have a high power stratification.

Taking the interplay of *sub-culture group and gender* on Individualism/Collectivism into consideration, the same patterns were evident as discussed above, with the following exceptions. Both genders of Black and Indian managers still had the highest Individualism/Collectivism scores, but there was a statistically significant difference between the scores of Indian males and Indian females, with Indian females displaying a higher Individualism/Collectivism score than Indian males, showing a medium effect size. Also, the Individualism/Collectivism score of Coloured female managers was not statistically significantly different from that of White male managers. The last exception was that the Individualism/Collectivism score of Coloured male managers was not statistically significantly lower than that of Indian male managers. Although not statistically significantly different, the Collectivism/Individualism scores of the Black, Coloured, and White female managers were, respectively, lower than those of the Black, Coloured, and White male managers.

Based on the above, it would seem that White male and female, and Coloured female managers are more individualistic in orientation, while Black male and female, Indian male and female, and Coloured male managers are more collectivistic in orientation. Furthermore, results showed a pattern where the mean scores of the female managers were either lower, although not statistically significantly lower (Black, Coloured, and White), or statistically significantly higher (Indian), than the mean scores of the male managers in each of the sub-cultural groups. No studies could be found which described similar patterns between genders of the same culture group on the individualism/collectivism dimension, and this finding requires further investigation.

The interplay of *sub-culture group and management level* on Individualism/Collectivism showed the same patterns as discussed in the section pertaining to sub-culture group. Black and Indian, junior and middle managers had higher Collectivism scores, and there were no statistically significant differences between the scores of junior and middle managers of these sub-culture groups. Coloured junior and middle managers were once again between the scores of the Black and Indian groups and that of the White middle manager group. White middle managers were statistically significantly more individualistic than White junior managers.

This significant relationship had a medium effect size. Results showed that White male middle managers were statistically and practically significantly more individualistic than all other categories, including the White junior manager group. The scores of White junior managers were statistically and practically significantly lower than those of Black junior and, middle and Indian junior and middle managers, but were less individualistic than those of White male middle managers. Their score also did not differ significantly from the scores of Coloured junior and middle managers.

In the discussion of the population of junior and middle managers in the three financial services organisations sampled for the present study, it was noted that White males were the overwhelming majority in middle management positions. This may be one of the reasons why Joplin and Daus (1997) pointed out that South African leadership practices are not in harmony with all the cultures represented in organisations. With so many middle managers subscribing to individualistic work practices where employees are encouraged to work independently and recognition and rewards are focussed on the individual as opposed to the team, more collectivistic orientated employees may experience that they do not have a voice in the organisation, and that their opinions, ideas and inputs are not appreciated. As the demographics of organisational workforces change, managers, especially White middle managers, will have to explore and attempt to understand the impact of the various cultures within the South African business sphere in order to deal with the diversity of opinions that stem from employees' cultural value systems and the resulting behaviour.

Humane Orientation

This value refers to the degree to which individuals in organisations or societies encourage and reward other individuals for being fair, altruistic, friendly and caring, and is manifested in the way people treat one another. At the societal level it refers to practices, such as the creation and implementation of human rights norms and laws that protect the unfortunate in society. Members are sensitive to all forms of discrimination, and societal members are responsible for promoting the well-being of others — the State is not necessarily involved. A low humane orientation refers to a context where self-interest is important, hedonistic values

are rife, and self-enhancement predominates; societal members are not sensitive to discrimination; and the State is often responsible for promoting well-being (Kabasakal & Bodur, 2004).

The ANOVA between the various independent variables on the Humane Orientation cultural value dimension showed statistically significant differences between Humane Orientation (dependent variable) and sub-culture group (independent variable).

In terms of *sub-cultural group*, Indian managers had the highest score on Humane Orientation, followed by Black managers and Coloured managers. Although the score of Indian managers was statistically significantly lower than that of Coloured managers, it was practically non-significant. White managers had the lowest score, although still above average, on Humane Orientation, which was statistically significantly lower than the scores of all three the other sub-culture groups and these differences were also practically significant, with large effect sizes. It appears that the sample could by categorised in two clusters — the high Humane Orientation cluster consisting of Indian, Black, and Coloured managers and the lower Humane Orientation cluster, consisting of White managers.

Shutte (1996) discussed various characteristics of African community which support and explain the high Humane Orientation scores by Black managers and the lower scores of White managers. She argued that the underlying philosophy of White people are underpinned by materialism, which suggest valuing money and the things it can provide, which leads to intense competition between individuals in these societies for the available resources. As a result, members are seen as distinct and independent members of a community. In contrast, individual members in African society are defined by the relationships between them and others. There is a persistent and intense focus on the welfare of the community. She described the African community as one where individuals develop within the collective organism and that it is not just formed by the association of individuals. If one considers this view, as well as some of the characteristics of Humane Orientation provided earlier, it is difficult not to compare this cultural value dimension with that of the Individualism/Collectivism value dimension. Many of the high humane orientation characteristics are comparable with

collectivism characteristics, while several of the low humane orientation characteristics are similar to a number of the individualism characteristics.

This assumption is, firstly, supported by a similar pattern in the results of the Individualism/Collectivism cultural value dimension, where results could also be clustered into a medium to high collectivist cluster consisting of Black, Coloured, and Indian managers, and a low collectivist (individualist) cluster consisting of White managers. Secondly, the Humane Orientation scale correlated positively ($r = 0.55$, $p < 0.001$) with the Individualism/Collectivism scale, and these two scales were also clustered together in one factor in the factor analysis. However, a decision was made to treat these two sub-scales as two separate dimensions for purposes of comparability with other published studies.

Performance Orientation

This cultural value dimension refers to the degree to which a society promotes and rewards aspects like innovation and performance improvement. It is regarded as a significant aspect of a culture, as it has an impact on the way a society defines success in adapting to external challenges. According to Javidan (2004), societies that score higher on performance orientation tend to value and emphasise training and development; they value and reward individual achievement in individualistic societies but of the team in collectivistic societies; they consciously support and promote schooling and education as critical for success; and they have a strong sense of urgency. Societies scoring lower on performance orientation tend to accentuate societal and family relationships; they have performance orientation systems that focus on aspects like integrity, loyalty and cooperation; they experience feedback and appraisal as judgemental and awkward; and they have a low sense of urgency.

The ANOVA between the various independent variables on the Performance Orientation cultural value dimension showed statistically significant differences between Performance Orientation (dependent variable) and sub-culture group, the interaction of gender and educational level, and the interaction of management level and number of years as manager

(independent variables); educational level and management level also showed such differences, but these were accompanied by low *d* values.

With regard to *sub-culture group*, Indian managers scored highest on this dimension, followed by White managers, Black managers and Coloured managers. There were no statistically significant differences between the scores of the Indian and White managers or between the scores of the White managers and the Black managers. The scores of Indian and Black managers differed statistically significantly, but the difference was practically non-significant, as was the case with the statistically significant difference between the scores of the Black managers and the Coloured managers. Coloured managers scored statistically significantly lower that Indian and White managers, with a medium effect size. The practical interpretation of these results thus indicate that there does not seem to be much difference between the Performance Orientation scores of managers belonging to the four South African sub-culture groups, except for a possible practically significant difference between the scores of Indian and White managers and that of Coloured managers.

However, there seems to be a strong relationship between results obtained on this cultural value dimension and the Future Orientation dimension. Indian and White managers displayed a higher Future Orientation, followed by Black and Coloured managers. Results also indicated a strong correlation (r = 0.49; $p < 0.001$) between Future Orientation and Performance Orientation. This relationship is supported by some comparable theoretical descriptions of the two value dimensions. As previously indicated, Ashkanasy et al. (2004) argued that cultures with a low future orientation often have lower levels of economic success and have a tendency to spend rather than to save for the future, whereas cultures with high future orientation seem to achieve economic success, and have a propensity to save for the future. Similarly, Javidan (2004) claimed that high performance orientation cultures are more economically thriving and competitively successful.

The interplay of *gender and educational level* showed that female managers with banking-related qualifications obtained the highest mean score on Performance Orientation, which was statistically significantly higher, with medium effect sizes, than that of male managers with a

similar qualification and male managers with tertiary qualifications. While the score was also statistically significantly higher than that of female managers with a Grade 12 qualification, it was practically non-significant. The statistically significant difference between this score and female managers with tertiary qualifications had a large effect size, indicating practical significance. Female managers with tertiary qualifications had the lowest score on this dimension, which was statistically significantly lower than that obtained by female managers with a Grade 12 qualification, but this difference was practically non-significant.

The only confirmed difference with practical significance between the scores described above is that female managers with banking-related qualifications had a higher Performance Orientation than female managers with tertiary qualifications. Results of the present study showed that respondents with banking-related qualifications were more assertive than respondents with tertiary qualifications, and that female managers were not practically significantly less assertive than male managers. High assertiveness is not only characterised by strong internal competition, but also by career advancement. Since female managers are often required to prove themselves time-after-time within the male-dominated financial services sector, it is not far-fetched to assume that it is more difficult for a female to become a manager than for a male. Obtaining a qualification that is industry specific and encourages behaviour aimed at the aggressive pursuit of market growth and earnings, in addition to the difficulties of being a female manager in a male dominated environment, may be reason why female managers with a banking-related qualification are more performance orientated than females with a tertiary qualification.

Taking the interplay of *management level and number of years as a manager* into consideration, junior managers with more than 11 years managerial experience had the lowest score on Performance Orientation. This score was statistically significantly lower than the score of junior managers with one to five years managerial experience and middle managers with six to ten years managerial experience, both with a medium effect size. The only practical significant difference was between junior managers with more than 11 years managerial experience had a lower mean Performance Orientation score than middle managers with more than 11 years managerial experience. This result indicates that

Performance Orientation is not just associated with sub-culture group and gender, but also to aspects of career advancement. Being in a junior management position for more than 11 years could impact on worker motivation and therefore on organisational productivity. It could, however, also be that individuals who started out with low Performance Orientation did not function in such a way as to warrant promotion to the next managerial level and as a result simply became plateaued.

IMPACT OF CHANGE ON CULTURAL VALUES

Hofstede (1980a, 1984) and Hofstede and Soeters (2002) were convinced that cultural values change very slowly, despite the ever-increasing exposure to the cultural values of other societies. They acknowledged that there were small changes in the scores of the cultural value dimensions over time, but that the values remained distinctive to specific cultures and that the differences between cultures remained remarkably stable.

Although South Africa has a history of colonialism and centuries of turmoil, unrest and domination, it was never as prevalent as during the apartheid era. As a result of the significant socio-political, legal, and economic changes that occurred after the election that ended the apartheid era in 1994, individuals of the various sub-cultural groups are increasingly interacting with each other and this is especially so in the work environment. Although the literature proposed that cultural values are very stable over time, one cannot assume that these cultural values will never change. House et al. (1999) stated that the Project-GLOBE theory does not account for possible cultural changes as a result of exposure to international media, ever-increasing cross-border commerce in the global village, or any other form of cross-cultural interaction, thereby acknowledging the possibility of cultural value changes. Given the changing South African milieu, as discussed in Chapter 1, and the increasing interaction between members of the various sub-cultural groups, it is likely that cultural values may change as individuals are exposed to the norms, values, ideologies, beliefs and attitudes of each other.

Core and Peripheral Cultural Values

Considering the possibility of cultural value changes in the South African environment, the question could be asked whether certain cultural values, labelled peripheral values, would change before others, labelled core values. The possibility of core and peripheral cultural values was explored by presenting respondents with descriptions or definitions of the various cultural value dimensions. The cultural values of this questionnaire were not labelled, but were described. Based on these descriptions, and with the sub-cultural group as the unit of analysis, respondents had to indicate on a 7-point semantic differential scale with the endpoints labelled, how easy or difficult they thought it would be for members of their own group (relating to culture, gender, management level, and so on) to change their cultural values in a changing environment. This section followed after the Societal Questionnaire, where respondents had to reply to the individual items of the various cultural values.

Although the actual value changes could be determined by comparing results of studies obtained over time, it was important to determine whether respondents viewed or interpreted certain cultural values as more important than others. Based on the descriptive statistics obtained on the Core and Peripheral Cultural Value Questionnaire, South African managers (total sample) indicated that the Humane Orientation cultural value dimension would be the most difficult value to change (highest average score), while the Performance Orientation cultural value would be the least difficult to change (lowest average score). Results of a t test indicated a statistically significant difference between the Humane Orientation score and the Performance Orientation score ($p < 0.001$); however, the effect size for this relationship was small. The average scores on the total sample were between 3.77 and 4.19, and only three cultural value dimensions were higher than the mid-point of 4 on the 7-point scale, viz. Humane Orientation, Uncertainty Avoidance, and Power Distance. However, one should be cautious to label these three values as possible core values (values that would be more difficult to change), and the remaining four values as peripheral values (values that would be easier to change). The average scores on all these cultural values were very close to the midpoint of 4, which strongly indicates the possibility of central tendency. The same central tendency was evident when the results were split according to sub-culture group and gender.

Results obtained with the Core and Peripheral Cultural Value Questionnaire that was constructed for purposes of this study, highlighted that respondents found it difficult to distinguish between the various cultural value dimensions when they had to indicate how easy or difficult it would be to change these values during intercultural contact. This is evident in the strong central tendency in the responses on this questionnaire. Furthermore, there were no statistically significant differences between the independent variables and four of the cultural value dimensions, while the statistically significant differences between the independent variables on three of the cultural value dimensions were all practically non-significant (with small to medium effect sizes).

The only pattern that was detected in the results of the Uncertainty Avoidance, Individualism/Collectivism, and Performance Orientation cultural value dimensions was that White (male and female) managers consistently rated it most difficult to change the particular cultural value when compared with managers of the other sub-culture groups. Although not practically significantly, this pattern seems to support the literature concerning various issues related to the frustration and lower satisfaction levels of Black, Coloured, and Indian employees in organisations which have been discussed in Chapter 4. Reasons for this related to conflict with dominant White organisational cultures that are experienced as hostile and alienating because of discrepancies between the dominant organisational culture and the values of other sub-cultural groups. Hofstede (1994a) pointed out that organisational cultures often mirror the values of the founder-leaders, which in most South African organisations were White. The fact that White managers indicated that they find it more difficult than the other sub-culture groups to change the above-mentioned four cultural values could provide some understanding of the often unconscious expectation of Whites that Black, Coloured and Indian employees should conform to current organisational cultures and not understanding why organisational culture should also change to accommodate a more diversified workforce.

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Comparison of Results of Present Study with those obtained by Booysen (1999)

Booysen's (1999) study included only White and Black managers in the financial services sector in South Africa. Her sample differed from the sample of the present study, which included Indian and Coloured managers, in order to obtain a more global view of the South African cultural values. The comparison of the results obtained on the total samples of the two studies indicated that although there were statistically significant differences between the results on five of the eight cultural value dimensions (Uncertainty Avoidance, Assertiveness, Power Distance, Individualism/Collectivism, and Humane Orientation), these results were practically non-significant. The same pattern was evident when the results of the male and female managers in the two studies were compared. There were statistically significant differences on five of the eight cultural value dimensions (Assertiveness, Power Distance, Performance Orientation, Individualism/Collectivism, and Humane Orientation), but these statistically significant differences were also practically non-significant. When comparing the results of the White and Black managers in samples of the two studies, the only statistically significant difference was on the Power Distance dimension. However, this statistically significant difference was also practically non-significant, with a small effect size.

Since none of the cultural values changed practically significantly in the often radically changing South African environment (described in Chapter 1) since they were first measured in 1998, it would seem that cultural values are, indeed, very stable and do not change easily. This can also explain the pratically non-significant results obtained with the Core and Peripheral Cultural Value Questionnaire.

LEADERSHIP STYLE AND ITS RELATION TO CULTURAL VALUES

The importance of leadership and leadership development in the new, post-apartheid South Africa cannot be taken too lightly. South African companies do not only have to invest in the development of managers belonging to the previously disenfranchised Black, Coloured, and Indian sub-culture groups in order to prepare these managers for successful integration into predominantly White management teams, but they also have to develop managers with

abilities to value and manage the ever-increasing cultural diversity within South African organisations and the fast and multifaceted changes and challenges brought about by globalisation.

Due to the ever-increasing international focus on leadership, one of the objectives of Project-GLOBE was to identify empirical leadership attributes that are perceived as contributors or inhibitors of exceptional leadership across the world. Bass (1996b) argued that leaders who practise transformational behaviours will be more effective than those who do not, regardless of their culture. He also discussed findings that confirmed that transformational leaders were more effective than transactional leaders, which in turn were more effective than laissez-faire leaders. Laissez-faire leaders were not effective at all. Results obtained by the Project-GLOBE study confirmed this and indicated that 11 of 21 universally identified leadership attributes were part of the charismatic/transformational leadership dimension (den Hartog et al., 1999; House et al., 1999).

Dorfman et al. (2004) indicated that the Performance Orientation, Individualism/Collectivism, Gender Egalitarianism, Future Orientation, and Humane Orientation cultural value dimensions were important cultural value drivers of the charismatic/value-based leadership dimension as determined by Project-GLOBE. The Project-GLOBE questionnaire was, however, not a self-report measure. It requested respondents to indicate the attributes they thought distinguished highly effective leaders from others. This is in contrast to the self-report MLQ developed by Bass and Avolio, which specifically measures dimensions of transformational, transactional, and laissez-faire leadership. Owing to the reported importance of transformational leadership attributes across cultures, the differences and similarities of South African managers on Bass and Avolio's Full Range Model of Leadership were explored by means of the MLQ. Consequently, the possible relationships of the cultural value dimensions with the leadership dimensions described by this leadership model were also investigated (Avolio & Bass, 1999; Bass, 1985, 1997).

In the discussion of the construct validity of the MLQ, a decision was reported to use a three-factor solution, almost similar to Bass' (1985) theoretical model, namely Transformational,

Transactional, and Laissez-Faire or Passive-Corrective factors. Factor 1 (Transformational leadership style) included all the items of the Transformational leadership sub-scales of the MLQ, as well as the items of the Contingent Reward sub-scale. Factor 2 (Transactional leadership style) consisted of the items of the Management-by-Exception (Active) sub-scale and Factor 3 (Passive-Corrective leadership style) consisted mainly of the items of the Management-by-Exception (Passive) and the Laissez-Faire sub-scales. The results of the original MLQ sub-scales were reported in Chapter 6 for comparative purposes only, but will not be discussed in this chapter.

The results of the present study indicated that South African managers evaluated themselves as more transformational than transactional. They also indicated that they are barely passive-corrective. This pattern was also evident when the sample was clustered according to sub-culture group and gender. ANOVAs were used to compare the means obtained from the three leadership style clusters (dependent variables) with sub-culture group, gender, age, educational level, management level, number of years full-time work experience, number of years as manager, exposure to formal western management training, and possible interactions between these independent variables. No reliable differences were found on any of the three leadership style clusters with any of the independent variables. Although it is important to consider that managers were requested to evaluate themselves on the MLQ, and that self-report ratings are always more favourable than ratings by others, the fact that these managers rated themselves as high on transformational leadership as they did, is an indication of the perceived importance of this leadership style too. These findings strongly supported Bass' statement, "…that in whatever the country, when people think about leadership, their prototypes and ideals are transformational" (1997, p. 135).

In contrast to the reported findings by Dorfman et al. (2004) referred to above, no significant interactions were found between the cultural value dimensions and any of the leadership dimensions as measured by the MLQ.

There were a few positive statistically significant correlations between Individualism/Collectivism, Humane Orientation, and Performance Orientation with

Transformational leadership, and between Assertiveness and Transactional leadership. Future Orientation, Individualism/Collectivism, and Humane Orientation showed negative statistically significant correlations with Passive-Corrective leadership (the lower these cultural values, the higher the Passive-Corrective leadership values). Although it is possible to find theoretical justification for some of these significant correlations, the correlations between the sub-scales were so small that the only assumption that could be made was that the statistically significant relationships were due to the large sample size.

CONCLUDING REMARKS

The use of the calculated *effect size* as an indication of practical significance to determine whether there were any significant differences between the cultural values of the various sub-cultural groupings indicated that these differences could not necessarily be ascribed to sub-culture group only. Booysen (1999) measured the cultural values of White and Black South African managers only and interpreted differences between the two groups solely based on statistical significance. In an article entitled, "The duality in South African leadership: Afrocentric or Eurocentric", she made the statement that the "culture of white South African managers is largely congruent with Western or Eurocentric management, whereas the culture of Black managers differs greatly from that of white managers in South Africa, and is comparable to Afrocentric management" (Booysen 2001, p. 36). On the basis of the present findings, one could not go so far. The calculated effect sizes of the present study indicated that, although there were statistically significant differences between most of the cultural value dimensions of the various sub-cultural groups, not all of these differences were practically significant. It also showed that various sub-cultural groups could often be clustered together on specific cultural value dimensions (for example, Indian, White, and Black managers as a high Uncertainty Avoidance group and Coloured managers as a Low Uncertainty Avoidance group; White, Coloured and Black managers as a higher Assertiveness group and Indian managers as a lower Assertiveness group, and so forth). Based on these findings it is clear that the South African cultural environment it is too complex and multi-faceted to be labelled as a "duality".

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Results obtained with the Core and Peripheral Cultural Value Questionnaire that was constructed for purposes of this study, as well as a comparison of the results obtained with the present study with those obtained by Booysen (1999), highlighted that cultural values are very stable and that none of the cultural values changed practically significantly since they were first measured in 1998.

CHAPTER 8
CONCLUSIONS AND RECOMMENDATIONS

INTRODUCTION

The South African population has been exposed to radical socio-political and economic changes and challenges since 1994. Sanctions were lifted after the first democratic elections, which added to the complexity of changes facing South African organisations. Globalisation, cross-border trade, and countless demands made by emerging markets forced organisations to improve their processes and operations, not only to safeguard their own domestic markets, over which they had control during the Apartheid era, but also to ensure that they become internationally competitive. Newly created labour legislation which dramatically changed the face of the South African labour market, further complicated the situation. Due to the newly created opportunities for Black, Coloured, and Indian employees, as well as women in the business environment, a “them and us” culture was created which consisted of a predominantly White male management minority and the general workforce (Roodt, 1997). The increasing diversity within the workplace led to continual stereotyping of members belonging to out-groups, while existing privilege and discrimination practices based mainly on race and ethnicity continued notwithstanding changes in legislation.

Despite all of the changes described above, South African organisations are still struggling with the legacy of Apartheid. It is not easy to transform political and cultural structures and practices that had been ingrained in social practice for centuries, and had since 1948 been systematically entrenched throughout every aspect of society. It is also anticipated that organisational effectiveness will be impacted negatively if South African managers do not develop the ability to manage the interplay between the current South African reality and the expectations of employees to fulfil their needs within an unrealistically short time span. Furthermore, authors like Booysen (1999, 2001), Khoza (1994), Koopman (1994), and Sonn (1996) have cautioned that cultural differences could lead to a host of organisational problems if managed incorrectly.

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With cultural diversity and quality of leadership currently being the centre of attention in South African organisations, this study investigated the differences and similarities regarding cultural values and transformational leadership dimensions within a changing environment of Black, Coloured, White, and Indian, male and female managers in the financial services sector in South Africa.

CONCLUSIONS

The major conclusions pertaining to similarities and differences between the cultural values of managers belonging to various sub-culture groups will first be reviewed briefly, followed by the conclusions regarding the possibility of core and peripheral values in a changing environment, after which the conclusions concerning the relationships between cultural values and dimensions of transformational leadership will be presented.

Cultural Values

It was pointed out in Chapter 2 that Social Constructionists view categories like race, culture, and gender as social constructions that are defined by society and are therefore, frequently based on societal perceptions of presumed differences. Constructionists also claimed that scientists tend to interpret research results in anticipation of the results they are expecting to find, thus often reading more into statistically significant differences between groups than what is the case. This is in accordance with the often misleading trend of failing to differentiate between the meaning of the terms “statistical significance” and “important”.

The importance of the calculated effect size as an indication of the magnitude or practical importance of the relationships between dependent and independent variables was illustrated clearly in the present study. An important conclusion was that, although there were statistically significant differences between most of the cultural value dimensions of the various sub-cultural groups, not all of these differences were practically significant. Results indicated that, in contrast to the trend of emphasising cultural differences between the various South African sub-cultural groups, these groups could often be clustered together on specific

cultural value dimensions. A further conclusion was that independent variables other than sub-culture group and age also showed practically significant relationships with some of the cultural value dimensions:

- The mean scores obtained on the Uncertainty Avoidance cultural value dimension were all above the midpoint of the scale. However, results indicated that Black, White, and Indian managers displayed more or less the same intolerance for uncertainty, while Coloured managers indicated a practically significantly greater tolerance for uncertainty than the other sub-culture groups.

- Black, Coloured, and White managers displayed a higher level of assertiveness, while Indian managers indicated a practically significantly lower level of assertiveness. In addition, managers with banking-related qualifications proved to be practically significantly more assertive than managers with tertiary qualifications.

- The Gender Egalitarianism cultural value dimension was the dimension with the lowest scores for all four the sub-culture groups. However, there were no practically significant differences between any of the independent variables on this dimension.

- White and Indian managers displayed a higher Future Orientation than Black and Coloured managers.

- Despite a few differences of medium effect size between the independent variables and Power Distance, none of these relationships indicated substantive practical significant differences.

- Results on the Individualism/Collectivism cultural value dimension showed a high collectivist cluster, consisting of Black and Indian managers, and a high individualist group, consisting of the White managers only. The score of Coloured managers featured between that of the high collectivist and the high individualist groupings. The interaction of sub-culture group and gender showed the same patterns, with practically significant

differences between White males and females (more individualistic) and Indian and Black males and females (more collectivistic). The mean score of Coloured female managers were, however, more individualistic, while the mean score of Coloured male managers was more collectivistic. The interplay of culture group and management level showed practically significant results, with White middle managers being most individualistic.

- On the Humane Orientation cultural value dimension, the score of White managers was practically significantly lower than that of Black, Coloured, and Indian manager cluster.

- The Performance Orientation dimension was not just associated with sub-culture group and gender, but also to aspects of career advancement. Results indicated that female managers with banking-related qualifications were practically significantly more performance orientated than female managers with tertiary qualifications. Furthermore, junior managers with more than 11 years of managerial experience were practically significantly less performance orientated than middle managers with more than 11 years managerial experience.

Core and Peripheral Cultural Values

Results obtained with the Core and Peripheral Cultural Value Questionnaire showed strong central tendency in the responses. There were statistically significant differences between the independent variables on three of the cultural value dimensions, but these relationships were all practically non-significant, with small to medium effect sizes.

Stability of Cultural Values

The comparison of the results obtained in the present study (Black, Coloured, White, and Indian managers) and those obtained by Booysen (1999), only Black and White managers, indicated that, although there were statistically significant differences between the results on five of the eight cultural value dimensions, these results were practically non-significant. This was also true for male and female managers in the two studies. When comparing the results of

the Black and White managers in samples of the two studies, the only statistically significant difference was on the Power Distance dimension. However, this statistically significant difference was also practically non-significant, with a small effect size. Results of the comparison between cultural values obtained in the present study and those obtained by Booysen indicated that cultural values seem to be very stable, despite the dramatic and ever-increasing socio-political, legal and economic changes taking place in the South African environment.

Leadership Style and Relationship to Cultural Values

Although there were statistically significant correlations between three of the cultural value dimensions with Transformational leadership, and between five cultural value dimensions with Passive-Corrective leadership, the correlations between the sub-scales were so small that the only assumption that can be made is that the statistically significant relationships were due to the large sample size. This finding supports the notion that the transformational-transactional leadership model is cross-culturally endorsed within the South African financial services sector. It further confirmed that irrespective of the range of biographical variables investigated, all managers evaluated themselves as more transformational than transactional. This tendency indicated that there were more similarities than differences in the way that managers belonging to a variety of diverse groups interpreted effective leadership behaviour.

RECOMMENDATIONS

Organisational and Leadership Development

Based on the interpretations of the results of this study, it became evident that the differences on the cultural value dimensions between the various South African sub-culture groups are not as distinct as indicated by Booysen (1999). It also transpired that the South African environment cannot be interpreted simplistically as one where the various sub-culture groups differ significantly from each other on most of the cultural value dimensions and therefore form four distinctly different or homogenous sub-culture groupings. To be more precise,

results indicated that the sub-cultural groups could often be clustered together on specific cultural value dimensions, sometimes consisting of an Indian, White and Black cluster, at times as a White, Coloured and Black cluster, and sometimes as a Black and Indian cluster. Based on these findings it is clear that the South African cultural environment is more multi-faceted and complex than expected, and this could typically be explored more thoroughly in valuing diversity workshops.

It was reiterated throughout this study that organisational effectiveness would be severely impacted if South African managers do not develop the ability and skill to understand, value and make the most of the richness of the culturally diverse workforce. As mentioned before, this could be accomplished by exposing managers and employees to workshops where the beliefs, perceptions, and stereotypes that members of the various sub-culture groups have of each other, can be socially deconstructed. It is, however, crucial that these workshops are incorporated into the strategic and human resources management processes. Human (1996) pointed out that these workshops are not about pretending that all cultures are similar; it is about addressing negative stereotypes and expectations that members of the various groups may have about each other, without reinforcing cultural differences. Due to the practice of categorisation, especially in the historically divided South Africa, results of this study could be used to initiate dialogue between the various sub-culture groups to recognise and understand that there are more similarities between the groups than anticipated.

Managers should, at the same time, understand the futility of expecting issues related to cultural diversity to disappear as members of different sub-cultural groups are interacting with each other on a daily basis. Although the possibility cannot be disregarded, results of the present study indicated that cultural values of the South African sub-culture groups are very stable, despite the dramatic changes they were exposed to during the past five to ten years. Closely related to this topic, is the sometimes unrealistic expectation of managers that employees should adjust to organisational cultures not representative of the values of various sub-culture groups. In the light of the stability of cultural values, this is pointless. Then there are those who argue that organisational cultures will change as the workforce becomes more representative of the South African population. It would, however, make business sense not to

assume that this would occur effectively without intervention, but to purposefully ensure that organisational cultures and practices become more inclusive of all South African sub-culture groups. This could be accomplished by pro-actively changing all existing HR strategies, policies, practices, and procedures to be more inclusive of the South African cultural values. It may, for example, be necessary to entrench diversity management workshops in the development plans of supervisors, managers, and executives; performance management and reward systems will have to be reviewed to incorporate principles associated with individualism/collectivism (for instance, implementing more collectivist team based performance ratings and rewards); implementing mentoring as a process to develop under-represented groups in management positions, and so on. Since changes like these often have ripple effects throughout the organisation, it is dependent on the visible support and stewardship of the Chief Executive and the senior leadership team.

Results of this study showed that the transformational-transactional leadership model is cross-culturally endorsed within the South African financial services sector and that managers belonging to the four sub-culture groups evaluated themselves as more transformational than transactional and least laissez-faire. Bass (1997) argued that although the transformational-transactional model is cross-culturally endorsed, the specific behaviours of managers associated with these components fluctuate in different cultural contexts. It is recommended that workshops are conducted in organisations where groups are formed based on the various clusters on the cultural value dimensions, to explore what behaviour they would associate with transformational, transactional, and laissez-laire leadership.

Future Research

Due to the specific objectives of this study, the research approach was quantitative in nature. The interpretation of the findings were, however, done within a moderate social constructionist framework, highlighting that the sub-culture groups do not necessarily form four distinct groups when analysing cultural values. With this in mind, it is recommended that:

- This research be extended by means of qualitative research within a social constructionist framework, to explain and create a richer understanding of the quantitative results obtained on cultural values, the stability of values within a changing environment, and transformational leadership behaviour of the four South African sub-culture groups.

- The research be extended to other sectors in the South African economy to test the reliability and generalisability of these findings. It would also be of value to determine how the cultural values of the general population compare with the values of South African managers in the formal sector.

- Sound empirical research be conducted, both quantitatively and qualitatively, to investigate the concept of African leadership by incorporating cultural values, various African leadership models, and the concepts associated with the philosophy of *ubuntu* — thereby addressing the apparent redundancy of concepts.

- A theoretical model be developed on how to create organisational cultures and practices that would lead to the "South Africanisation", and not simply to the "Africanisation" of the workplace. It is crucial to integrate the values, behaviours, and practices of *all* South African sub-culture groups to create a unique and globally competitive South African economic environment.

- Research be conducted, both quantitatively and qualitatively, to explore leadership behaviours that are interpreted as transformational, transactional, and laissez-faire in the multi-cultural South African environment. This could be done by investigating how various clusters on the different cultural value dimensions, irrespective of sub-culture group or gender, (for example, high collectivist cluster, or low assertiveness cluster), in order to describe what behaviour they would expect to see from transformational, transactional, or laissez-faire leaders and to compare these with each other. Knowledge about these interpretations would greatly enhance leadership development in South African organisations.

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APPENDIX A

ROTATED FACTOR MATRIX OF SOCIETAL QUESTIONNAIRE

Rotated factor matrix of Societal Questionnaire

Sub-scale and item	Factor loading					
	Fact 1	Fact 2	Fact 3	Fact 4	Fact 5	Fact 6
Uncertainty avoidance						
2.1			0.21			
2.16			0.43			
2.19			0.49			
2.24			0.40			
Assertiveness						
2.2				0.53		
2.6				0.52		
2.10				0.54		
2.14				0.62		
Gender egalitarianism						
2.17						0.78
2.22						0.39
2.36						0.58
2.37						--
2.38						0.26
Future perspective						
2.3		0.82				
2.4		0.87				
2.8			0.44			
2.30		0.42				
2.31		0.49				
Power distance						
2.5					0.39	
2.13					0.39	
2.26					0.40	
2.27					0.56	
2.34					0.56	
Collectivism I						
2.7	0.15					
2.12	0.33					
2.29	0.27				0.34	
2.35	0.49					
Collectivism II						
2.11			0.37			
2.23			0.40			
2.28	0.48					
2.39	0.31					

Sub-scale and item	Factor loading					
	Fact 1	Fact 2	Fact 3	Fact 4	Fact 5	Fact 6
Humane orientation						
2.9	0.70					
2.21	0.54					
2.25	0.71					
2.32	0.53					
2.33	0.70					
Performance orientation						
2.15			0.52			
2.18			0.23			
2.20			0.41			
Eigenvalue	5.16	4.02	3.31	2.04	1.50	1.39
% Variance	11.24	8.83	6.93	3.60	2.33	2.22

Factor correlations for rotated factors

	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5
Factor 1	1.00				
Factor 2	-0.04	1.00			
Factor 3	0.22	0.43	1.00		
Factor 4	-0.10	0.12	0.08	1.00	
Factor 5	-0.01	-0.20	0.00	0.03	1.00
Factor 6	-0.11	0.12	-0.10	-0.05	-0.31

APPENDIX B

ROTATED FACTOR MATRIX OF MULTIFACTOR LEADERSHIP QUESTIONNAIRE

Rotated factor matrix of Multifactor Leadership Questionnaire

Sub-scale and item	Factor loading		
	Fact 1	Fact 2	Fact 3
Idealised Influence			
5.6	0.45		
5.10	0.46		
5.14	0.67		
5.18	0.42		
5.21	0.47		
5.23	0.47		
5.25	0.35		
5.34	0.47		
Inspirational Motivation			
5.9	0.43		
5.13	0.60		
5.26	0.56		
5.36	0.53		
Intellectual Stimulation			
5.2	0.35		
5.8	0.38		
5.30	0.50		
5.32	0.55		
Individualised Consideration			
5.15	0.38		
5.19	0.31		
5.29	0.25		
5.31	0.50		
Contingent Reward			
5.1	0.18		
5.11	0.47		
5.16	0.45		
5.35	0.39		
Management-by-exception (Active)			
5.4			0.43
5.22			0.70
5.24			0.46
5.27			0.58
Management-by-exception (Passive)			
5.3		0.54	
5.12		0.63	
5.17			0.27
5.20		0.40	

Sub-scale and item	Factor loading		
	Fact 1	Fact 2	Fact 3
Laissez-Faire			
5.5		0.43	
5.7		0.27	
5.28		0.41	
5.33		0.40	
Eigenvalue	6.56	2.41	1.94
% Variance	16.23	4.56	3.52

Factor correlations for rotated factors

	Factor 1	Factor 2
Factor 1	1.00	
Factor 2	-0.21	1.00
Factor 3	0.23	0.02

APPENDIX C

MULTI-MEASURE QUESTIONNAIRE

Due to copyright restrictions on the Project-GLOBE Societal Questionnaire and the MLQ, the comprehensive Multi-Measure Questionnaire utilised in this study cannot be attached. The attached questionnaire does, however, contain examples of items from these questionnaires.

Faculty of Humanities
Department of Psychology

Dear Participant

This is a request that you participate in research that will produce results of interest to managers and organisations in South Africa. The working environment is becoming the place, more than anywhere else, where the different South African sub-cultural groups with their unique value systems, are in interaction with another. This provides us with the opportunity to learn about sub-cultural differences and similarities within the national culture of South Africa.

Your participation would be invaluable to this study. It is important to incorporate all four South-African culture groups to ensure results representative of the national South African culture. This will assist us to learn about effective leadership development within a multi-cultural environment, and to understand how various societal and organisational practices are perceived by you and the other managers participating in this research.

This research is conducted with the approval of your organisation and is not part of any other internal processes currently happening in your organisation. The questionnaire booklet that you are asked to complete, will take about 30 minutes of your time. You were selected as part of a random sample drawn in your organisation, and not because of any other reasons.

Your responses will be kept completely confidential. No individual respondent or organisation will be identified to any other person or organisation in any way. Not even your own organisation will have access to your individual responses. If you have any questions about the research, you are welcome to contact me at work (012) 310-7045. I will be glad to be of any assistance to you.

The resulting information will be aggregated to the group level in a Doctorate of Psychology thesis and in several academic journal articles. Hopefully, these publications will help managers such as you to be more effective, to have increased job satisfaction, and to better understand leadership in a multi-cultural environment such as South Africa.

Please send the completed questionnaire booklet back in the provided envelope within one week of receipt.

Once again, thank you for your participation.

Regards

Eriaan Oelofse

Faculty of Humanities
Department of Psychology

Dear Participant

This is a second request that you participate in research that will help us to understand the impact of Cultural values on Leadership in a multi-cultural environment such as ours. If you have already completed the questionnaire, I would like to take this opportunity to thank you again for your participation. Since the questionnaires are completed anonymously, it is not possible for me to know whom of you have already completed the questionnaire. However, if you have not completed the questionnaire yet, I would like to request you again to participate in this project. **Your participation will be invaluable to this study.**

The working environment is becoming the place, more than anywhere else, where the different South African sub-cultural groups with their unique value systems, are in interaction with another. This provides us with the opportunity to learn about sub-cultural differences and similarities within the national culture of South Africa. It is therefore important to incorporate all four South-African culture groups to ensure results representative of the national South African culture.

This research is conducted with the approval of your organisation and is not part of any other internal processes currently happening in your organisation. The questionnaire booklet that you are asked to complete, will take about 30 minutes of your time. You were selected as part of a random sample drawn in your organisation, and not because of any other reasons.

I would like to assure you again that your responses will be treated confidentially. No individual respondent or organisation will be identified to any other person or organisation in any way. If you have any questions about the research, you are welcome to contact me at work (012) 310-7045. I will be glad to be of any assistance to you.

The resulting information will be aggregated to the group level in a Doctorate of Psychology thesis and in several academic journal articles. Hopefully, these publications will help managers such as you to be more effective, to have increased job satisfaction, and to better understand leadership in a multi-cultural environment such as South Africa.

Please send the completed questionnaire booklet back in the provided envelope within one week of receipt.

Once again, thank you for your participation.

Regards

Eriaan Oelofse

General Instructions

In completing this survey, you will be asked questions focusing on the sub-culture in which you live, and on your perceptions of leaders and leadership. Most people complete the survey in approximately 30 minutes. There are four sections to this questionnaire. Section 1 asks for some biographical data about you, Section 2 inquires about your sub-culture, Section 3 asks about your organisation and Section 4 asks about leaders and leadership.

Since we are interested in understanding differences and similarities in leadership perceptions between the different sub-cultures within the national South African culture, we would like you to give your perceptions as a member of your specific sub-culture.

Explanation of the types of questions

There are several types of questions in this questionnaire. Sections 2 and 3 have questions with two different formats. An example of the first type of question is shown below.

A. In my sub-culture (Black female, Black male, Coloured female, Coloured male, White female, White male, Indian female, Indian male) people are generally:

Very sensitive toward others						Not at all sensitive toward others
1	2	3	4	5	6	7

For a question like this, you would circle the number from 1 to 7 that is closest to your perceptions about your sub-culture. For example, if you think that your sub-culture is generally “very sensitive toward others”, you would circle the 1. If you think your sub-culture is not quite “very sensitive towards others”, but is better than “not at all sensitive toward others”, you could circle either the 2 or the 3, depending on whether you think the sub-culture is closer to “very sensitive toward others” than to “not at all sensitive toward others”.

The second type of question asks how much you agree or disagree with a particular statement. An example of this kind of question is given below.

B. In my sub-culture (Black female, Black male, Coloured female, Coloured male, White female, White male, Indian female, Indian male) people are generally very sensitive toward others.

Strongly agree			Neither agree nor disagree			Strongly disagree
1	2	3	4	5	6	7

For a question like this, you would circle the number from 1 to 7 that is closest to your level of agreement with the statement. For example, if you strongly agree that the weather in your country is very pleasant, you would circle the 1. If you generally agree with the statement but disagree slightly, you could circle either the 2 or the 3, depending on how strongly you agree with the statement. If you disagree with the statement, you would circle the 5, 6, or 7, depending on how much you disagree with the statement.

Section 1
Biographical information

Following are several questions about you, your background, and your organisation. These questions are important because they help us to see how individuals of different sub-cultures respond to the questionnaire in similar or different ways. Please read each statement carefully and respond by circling the answer of your choice.

1.1 Age in years: ______________

1.2 Please indicate your sub-culture:

Black male	1	Black female	2
Coloured male	3	Coloured female	4
White male	5	White female	6
Indian male	7	Indian female	8

1.3 Please indicate your educational level:

Grade 12 (Std 10)	1
Technikon Diploma	2
Technikon Higher Diploma	3
B Degree	4
Honours Degree	5
Master's Diploma in Technology	6
Master's Degree	7
Laureatus in Technology	8
Doctorate	9
Other (Specify):	13
Bank exams	14

1.4 Please state the name of your organisation: ______________________________

1.5 Please indicate your management level:

Junior management (Supervisory) *(T level)*	1
Middle management *(M level)*	2

1.6 Have you received any formal training in Western management practices?

Yes	1
No	2

If you answered YES:

1.6.1 Please specify: What? ____________________

____

1.6.2 Where? (University/ organisation/ institution) ____________________

____

1.7 How many years of full-time work experience do you have? ________

1.8 How many years have you been a manager? ________

Section 2
The way things <u>are</u> in your society

In this section, we are interested in your beliefs about the norms, values, and practices in your sub-culture. In other words, we are interested in the way your sub-culture is — not the way you think it should be. There are no right or wrong answers, and answers don't indicate goodness or badness of the sub-culture. Please respond to the questions by circling the number that most closely represents your observations about your own sub-culture (Black male, Black female, Coloured male, Coloured female, White male, White female, Indian male, Indian female). Remember to constantly and consciously think about how these questions pertain to your own sub-culture.

2.1 In my sub-culture, orderliness and consistency are stressed, even at the expense of experimentation and innovation.

Strongly agree			Neither agree nor disagree			Strongly disagree
1	2	3	4	5	6	7

2.7 In my sub-culture, leaders encourage group loyalty even if individual goals suffer.

Strongly agree			Neither agree nor disagree			Strongly disagree
1	2	3	4	5	6	7

2.9 In my sub-culture, people are generally:

Very concerned about others						Not at all concerned about others
1	2	3	4	5	6	7

2.10 In my sub-culture, people are generally:

Dominant						Non-dominant
1	2	3	4	5	6	7

2.15 In my sub-culture, teen-aged students are encouraged to strive for continuously improved performance.

Strongly agree			Neither agree nor disagree			Strongly disagree
1	2	3	4	5	6	7

2.17 In my sub-culture, boys are encouraged more than girls to attain a higher education.

Strongly agree			Neither agree nor disagree			Strongly disagree
1	2	3	4	5	6	7

2.28 In my sub-culture, aging parents generally live at home with their children.

Strongly agree			Neither agree nor disagree			Strongly disagree
1	2	3	4	5	6	7

2.30 In my sub-culture, more people:

Live for the present than live for the future						Live for the future than live for the present
1	2	3	4	5	6	7

Section 3

Core and Peripheral Cultural Values Questionnaire

In Section 2 you completed questions pertaining to the way things are in your sub-culture. The following sub-cultural values were measured by the individual items in Section 2. Please read through the descriptions of the sub-cultural values mentioned below, and decide how they occur in your sub-culture. Indicate how easy or difficult you think it will be for members of your sub-culture to change these cultural values in an environment where people of various sub-cultural groups interact with each other regularly, by circling the relevant number.

If you are of the opinion that it will be *very* easy for members of your sub-culture to change this value in an environment where they have regular interaction with members of other sub-cultural groups, you will circle the 1. If you believe that it will be *relatively* easy, you will circle either the 2 or the 3. If you are of the opinion that it will be *very* difficult for members of your sub-culture to change this value in an environment where they have regular interaction with members of other sub-cultural groups, you will circle the 7. If you believe that it will be *relatively* difficult, you will circle either the 5 or the 6. There are no right or wrong answers, and answers don't indicate goodness or badness of your sub-culture.

3.1 The first cultural value focuses on the relation between the individual and other members of the sub-culture.

- Some sub-cultures are characterised by loose ties between the individuals and personal goals are more important than group goals. The focus is on the core family.
- Other sub-cultures are characterised by strong ties between individuals where the interest of the group takes precedence over the individual member's interests. In these cultures, individuals are part of strong, interconnected in-groups from birth onwards.

Very easy						Very difficult
1	2	3	4	5	6	7

3.2 This cultural value describes the degree to which a sub-culture minimises or maximises the division and differences between gender roles.

- In some sub-cultures gender roles are clearly distinct — men are suppose to fulfil certain roles (often outside the home), while women are suppose to fulfil other roles (often inside the home). These sub-cultures often also support assertiveness, competition and achievement
- In other sub-cultures there is a high degree of gender role overlap and thus no clear distinctions or differentiation between gender roles. These sub-cultures often support quality of life, caring for the weak, modesty, and a preference for relationships.

Very easy						Very difficult
1	2	3	4	5	6	7

3.3 This cultural value focuses on how a sub-culture copes with change, and the uncertainty that change provokes.

- Some sub-cultures favour structured organisations with many rules and regulations which creates a less confusing environment.
- Other sub-cultures accept uncertainty, and prefer unstructured environments without constricting rules and regulations.

Very easy						Very difficult
1	2	3	4	5	6	7

3.4 This cultural value relates to the degree to which sub-cultures maintains inequality among its members by differentiating individuals and groups based on power, authority, prestige, status, etc.

- Some sub-cultures try to minimise inequalities, power is distributed equally and leadership is less autocratic, while members are more empowered.
- Other sub-cultures are characterised by greater acceptance of inequalities, leadership is more autocratic and there is a greater centralisation of authority.

Very easy						Very difficult
1	2	3	4	5	6	7

3.5 This cultural value focuses on how a specific sub-culture perceives time.

- In some sub-cultures, living in the present, immediate action and gratification, spontaneity, living for the moment, etc. are valued.
- In other sub-cultures, investing in the future, preparing for future events, etc. are encouraged. Emphasis is put on effective planning, forecasting and saving.

Very easy						Very difficult
1	2	3	4	5	6	7

3.6 This cultural value refers to a sub-culture’s orientation towards individuals.

- In some sub-cultures societal norms and laws protect the unfortunate, and there is a lack of discrimination against minorities.
- In other sub-cultures the concentration of wealth is in the hands of a few individuals, there’s widespread poverty and discriminatory practices against minorities.

Very easy						Very difficult
1	2	3	4	5	6	7

3.7 This cultural value describes the degree to which a sub-culture emphasises the importance of performance or achievement.

- In some sub-cultures the emphasis is on education, encouragement of moderate risk taking, and reward for achievements and entrepreneurial behaviour.
- Other sub-cultures are concerned mainly with tradition, convention, “saving face” or avoiding shaming oneself openly, and reward for artistic achievement.

Very easy						Very difficult
1	2	3	4	5	6	7

Section 4
Multifactor Leadership Questionnaire (MLQM)
By Bernard M. Bass and Bruce J. Avolio

This questionnaire is designed to help you describe your leadership style as you perceive it. The word "others" may mean your peers, clients, direct reports, supervisors, and/or all of these individuals. Please answer all the items in this questionnaire. If an item is irrelevant, or if you are unsure or do not know the answer, leave the answer blank. There are forty-five (45) descriptive statements in this questionnaire. Judge how frequently each statement fits you by circling the number below each statement that most closely represents your perception. Use the rating scale shown below:

0	—	*Not at all*
1	—	*Once in a while*
2	—	*Sometimes*
3	—	*Fairly often*
4	—	*Frequently if not always*

5.3 I fail to interfere until problems become serious.

0	1	2	3	4

5.11 I discuss in specific terms who is responsible for achieving performance targets.

0	1	2	3	4

5.13 I talk enthusiastically about what needs to be accomplished.

0	1	2	3	4

5.14 I specify the importance of having a strong sense of purpose.

0	1	2	3	4

5.19 I treat others as individuals rather than just as a member of a group.

0	1	2	3	4

5.30 I get others to look at problems from many different angles.

0	1	2	3	4

This concludes the questionnaire. We truly appreciate your willingness to complete this questionnaire, and to assist in this research project.