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CEO Leadership Behavior Across Cultures

The Linkage With Cultural Values and Culturally Endorsed Implicit Leadership Theory

Chapter 2 provided a review of the literature on executive leadership. It concluded that rigorous empirical research on CEOs seems to be in its infancy. Only a few studies have focused on how CEOs can influence firm outcomes and have found rather conflicting results. With minor exceptions, the extant literature is all based in North America and with North American executives. Furthermore, the existing literature examines how and what aspects of CEOs' behaviors and styles can result in positive or negative outcomes. But there is little study of *why* CEOs behave the way they do. The focus has so far been on the consequences of CEO behavior and not on drivers of CEO behavior. As noted by Yukl (2013), what empirical research that does exist is largely focused on the effects of a limited number of leadership behaviors such as charismatic and transformational (C/T) leadership (e.g., Jung, Wu, & Chow, 2008; Ling, Simsek, Lubatkin & Veiga, 2008a; Makri & Scandura, 2010; Peterson, Walumbwa, Byron, & Myrowitz, 2009). Completely absent are cross-cultural studies with large country samples, rigorous psychometric analyses, and a more complete examination of the wide variety of leadership behaviors exhibited by CEOs.

In this chapter, we will provide detailed empirical information about how CEOs in different countries act as leaders. We will also explain the drivers of CEO leadership behavior by examining the relationship between a country's cultural values, culturally endorsed implicit leadership theory (CLT), and CEO leadership behavior. As explained in Chapter 4,

our findings are based on a survey of over 5,000 senior executives (TMT members) directly reporting to over 1,000 CEOs in 24 countries.

There are two streams of research that inform our work here. The upper echelon theory has been concerned with top-level managers and their effects on firm performance. Child's (1972) initial notion that top management's decisions and choices impact firm performance later evolved in the work of Hambrick and Mason (1984), and it has further expanded under the rubric of strategic leadership (Cannella & Monroe, 1997; Hambrick & Finkelstein, 1987).

In its earlier development, Hambrick and Mason (1984) focused on background and demographic characteristics of CEOs. These included such variables as age, functional track, formal education, and socioeconomic background. However, the relationship between CEO demographic variables and firm performance has found only limited support (Finkelstein & Hambrick, 1996; Waldman, Javidan, & Varella, 2004). Priem, Lyon, and Dess (1999) were critical about the use of such data in strategic leadership research, raising questions about their meaning and construct validity. Boal and Hooijberg (2001) went so far as to "call a moratorium on the use of demographic variables as surrogates for psychosocial constructs" (p. 523).

Finkelstein's (1992) research moved the upper echelon perspective closer to understanding the actual role of CEO leadership qualities and behavior. He suggested that the upper echelon perspective should be expanded to take into account how managerial power affects the association between top managers and organizational outcomes. He pointed out how "power may emanate from a manager's personality" (Finkelstein, 1992, p. 510). This argument is in line with others who have claimed that simple demographic or background factors (e.g., age and functional track) do not go far enough in assessing relevant upper management characteristics. A consideration of other characteristics is necessary for a more complete test of upper echelon theory (Hambrick & Mason, 1984; Hitt & Tyler, 1991). In short, the upper echelon theory's attempt to provide a description and explanation of CEO behavior and firm performance through the use of demographic variables has found limited success.

Another stream of research associated with upper echelon theory focuses on the behavior of CEOs. Generally referred to as the strategic leadership theory, it explores the way that CEOs and other senior executives make decisions. Hambrick and Finkelstein (1987) introduced the notion of managerial discretion to examine the extent to which CEOs and other senior executives make a difference for the success of the corporation: "Depending on how much discretion exists, an organization's form and fate may lie totally outside the control of its top management, completely within their control, or more typically, somewhere in between" (Finkelstein, Hambrick, & Cannella, 2009, p. 27).

They identified three sources of managerial discretion: (1) the degree to which the environment allows variety and change, (2) the degree to which the organization itself is amenable to an array of possible action, and (3) the degree to which the CEO himself is personally able to create multiple

courses of action (Finkelstein et al., 2009). They further identified the environmental determinants of discretion as industry and legal forces.

Quite separate from the literature that was previously stated, another stream of research is focused on the impact of national culture on leadership behavior and effectiveness. The most common theme in cross-cultural research is the study of cross-cultural differences in leadership behavior driven by differences in cultural values (Yukl, 2013). The theoretical framework underpinning this line of research is that national culture impacts leaders' behavior because managers who grow up in that country internalize the country's values. These internalized values in turn shape leaders' attitudes and behaviors (Adler, 1997; Dorfman et al., 1997; Fu & Yukl, 2000; Hanges & Dickson, 2004; Peng, Peterson, & Shyi, 1991). For instance, the heavy emphasis placed by Asian managers on paternalism (Dorfman & Howell, 1988) and group maintenance activities (Bolon & Crain, 1985; Ivancevich, Schweiger, & Ragan, 1986) is consistent with countries that are culturally highly collective. McClelland (1961) found that achievement motivation reflected in grammar school books was predictive of entrepreneurial behavior 25 years later.

In individualistic societies, people prefer individual rather than group-based compensation practices and exhibit greater willingness to take risks (Erez, 1997). They are also focused on their own personal goals (Jung & Avolio, 1999) whereas in collectivistic cultures people are more likely to volunteer their time and engage in organizational citizenship behaviors (Jackson, Colquitt, Wesson, & Zapata-Phelan, 2006). In high Power Distance countries, managers make decisions in less consultation with their direct reports (Smith, Peterson, & Schwartz, 2002) while in low Power Distance countries, Participative leadership is practiced more often (Dorfman, Hanges, & Brodbeck, 2004). German managers, accustomed to a culture of high Uncertainty Avoidance (House, Hanges, Javidan, Dorfman, & Gupta, 2004), expect high levels of reliability and punctuality from their subordinates (Stewart, Barsoux, Kieser, Ganter, & Walgenbach, 1994).

In our earlier GLOBE work (House et al., 2004; Javidan & Dastmalchian, 2009; Javidan, House, Dorfman, Hanges, & Sully de Luque, 2006; Javidan, Dorfman, Sully de Luque, & House, 2006; Javidan & House, 2001), we built on the implicit leadership theory (ILT) to propose another link between national culture and leadership behavior.

ILT postulates that people have general ideas about leaders and leadership that include the personal qualities and behaviors necessary to be an effective leader. These general ideas can be further described in terms of implicit beliefs, convictions, and assumptions concerning attributes and behaviors that distinguish leaders from followers and effective leaders from ineffective leaders. From these abstract notions, individuals develop a mental representation (i.e., prototype) typical of leaders in various contexts (e.g., what constitutes excellent leadership in voluntary organizations versus leadership in military contexts). The mental process is thought to involve the match between the ideal leadership (i.e., the leadership prototype) and the characteristics and

behaviors of the leader in this comparison. Epitropaki and Martin (2005) found the closer the match between an employee's endorsement of specific ILTs to their manager's ILT profile, the better the quality of interactions with the leader. In short, one's image of an *ideal* leader is a fundamental aspect of ILT and is critical to perceptions of leadership effectiveness (van Quaquebeke, van Knippenberg, & Brodbeck, 2011).

Shaw (1990) suggested three effects that culture can have on leadership schemas. He hypothesized that culture affects (1) the attributes believed to be typical of leaders (i.e., schema content), (2) the cognitive complexity and differentiation among the schema content (i.e., schema structure), and (3) the level of automaticity involved in processing a leadership encounter. There is general empirical support for the impact of culture on ILT. O'Connell, Lord, and O'Connell (1990) found that national culture plays a role in influencing the content of leader attributes and behaviors perceived as desirable and effective by individuals in that culture. Similarly, Gerstner and Day (1997) found that the prototypicality of specific leader attributes varied across cultures for university students from eight nations. Mehra and Krishnan (2005) found that the Indian cultural orientation of *Svadharmā* (following one's own duty) is related to conceptions of successful leadership. Recht and Wilderom (1998) asserted that autocratic and paternalistic leadership styles are the most common among Latin American countries. Davila and Elvira (2012) argued further that existing literature portrays the Latin American leader as an authoritarian-benevolent paternalistic figure. Casimir and Waldman (2007) reported significant differences among white-collar employees from China and Australia regarding traits important for effective leadership.

As explained in Chapter 2, a major part of the GLOBE research program (House et al., 2004) was designed to capture the ILTs of societies and empirically determine the degree of commonality and differences within and among nations. GLOBE's 2004 extension of ILT to the cultural level of analysis (labeled *CLT*) found support for Shaw's hypothesized relationship between culture and leadership schema content. GLOBE researchers found a high and significant within-society agreement with respect to questions concerning the effectiveness of leader attributes and behavior. We showed strong empirical evidence that cultural values are associated with specific leadership prototypes. For instance, high Performance Orientation values were positively associated with Participative leadership as a component of respondents' CLT profile of outstanding leaders (Javidan, 2004). We also determined that culturally similar societies could be clustered together (Gupta & Hanges, 2004), and meaningful differences exist in the content of the CLT profiles of different clusters (Dorfman et al., 2004). For example, the Anglo (or English-speaking) cluster of countries particularly value Charismatic leadership, whereas the Latin American cluster most highly value Team-Oriented leadership. Furthermore, using a different subset of GLOBE data for European cultures, Brodbeck and colleagues (2000) presented convincing evidence that clusters of European cultures sharing similar cultural values also share similar leadership concepts.

In the following pages, we will show comparative information about how CEOs behave in each of the 24 countries in our sample. We will also provide comparative information on the CLTs of the surveyed countries. As a reminder, CLTs were measured in GLOBE 2004. Furthermore, we provide statistical analyses examining the relationship among CEO leadership behavior, cultural values, and CLT.

Describing CEO Leadership Behavior

Our measures of CEO behavior are based on our notion of CLTs. As explained in Chapters 1, 2, and 4, a CLT is a country's profile of outstanding leadership, or a country's expectations from its leaders. It consists of a set of leadership dimensions that a society expects from leaders in that country. There are two levels of CLTs: (1) the 6 global leadership dimensions and the 21 primary leadership dimensions that comprise them. As explained in Chapter 4, we created measures of CEO behavior consistent with the 6 global leadership and the 21 primary leadership dimensions of CLTs. In other words, we have two distinct but related profiles: First, there is the CLT, which is the desirable or ideal profile. Second is the CEO leadership behavioral profile, which is a set of leadership behaviors commensurate with the dimensions of the CLT. As an example, a primary dimension of the CLT profile is "visionary"; to measure a CEO's visionary behavior, each direct report was asked several questions to assess his/her CEO on a 7-point scale—the extent to which the CEO exhibits the following behaviors:

- Makes plans and takes actions based on future goals
- Clearly articulates his/her vision of the future
- Has a clear sense of where he/she wants this organization to be in 5 years

In this chapter, we show CLTs and behaviors both at the 6 global levels and the 21 primary levels to provide overall high level information as well as detailed fine grained findings showing what CEOs are expected to do and what they actually do.

Overall CEO Leadership Behavioral Profiles

Table 7.1 shows the overall CEO leadership behavior findings across 24 countries. The scores for all the CEOs in each country were aggregated to the country level and then averaged across the 24 countries.

In Table 7.1, the first numeric column shows the average scores for each behavior across the 24 countries. The scales range from 1 (*strongly disagree*) to 7 (*strongly agree*). The overall behavioral profile of over 1,000 CEOs in Table 7.2 shows that they are reported to be typically Charismatic (5.59 out

Table 7.1 Descriptive Statistics for Six and Twenty-One CEO Leadership Behaviors
(Average Across Twenty-Four Countries)

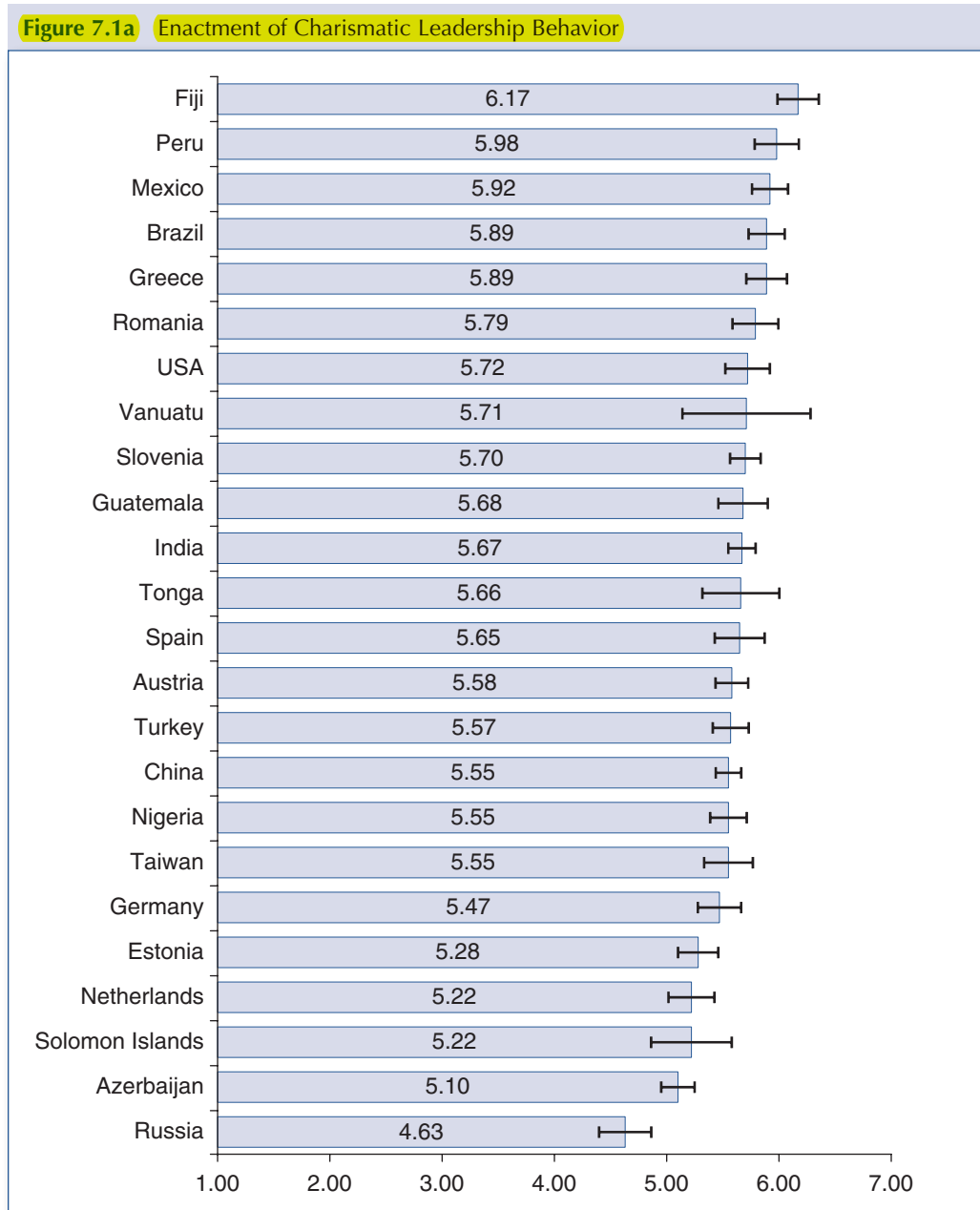
	Mean	SD	Range	Min.	25th Percentile	Median	75th Percentile	Max.
Charismatic	5.59	0.32	1.53	4.63	5.49	5.65	5.77	6.17
Visionary	5.70	0.37	1.56	4.69	5.50	5.80	5.95	6.25
Inspirational	5.62	0.35	1.71	4.65	5.55	5.68	5.79	6.37
Self-Sacrificial	5.21	0.39	1.75	3.91	5.03	5.31	5.47	5.66
Integrity	5.62	0.38	1.71	4.51	5.41	5.60	5.88	6.22
Decisive	5.64	0.34	1.25	5.05	5.36	5.57	5.96	6.30
Performance oriented	5.75	0.31	1.34	4.99	5.66	5.79	5.95	6.33
Team Oriented	5.43	0.28	1.25	4.65	5.29	5.43	5.62	5.90
Collaborative team orientation	5.25	0.37	1.62	4.16	5.07	5.25	5.51	5.77
Team integrator	5.08	0.23	0.92	4.54	4.92	5.12	5.24	5.46
Diplomatic	5.64	0.33	1.36	4.86	5.45	5.68	5.83	6.22
Malevolent	2.35	0.55	1.77	1.68	1.90	2.24	2.53	3.45
Administratively competent	5.52	0.43	1.50	4.63	5.18	5.56	5.92	6.13
Participative	4.84	0.37	1.57	3.95	4.71	4.79	5.15	5.52
Participative	5.21	0.39	1.71	4.29	4.96	5.27	5.49	6.00
Autocratic	3.51	0.52	1.94	2.71	3.10	3.51	3.79	4.64
Humane Oriented	5.00	0.35	1.51	3.97	4.83	5.10	5.21	5.48
Modesty	4.92	0.37	1.56	3.86	4.76	5.01	5.15	5.42
Humane orientation	5.08	0.37	1.44	4.18	4.85	5.15	5.35	5.62
Autonomous	4.11	0.55	2.37	2.72	3.86	4.12	4.47	5.09
Self-Protective	3.94	0.22	0.81	3.61	3.75	3.93	4.11	4.42
Self-Centered	2.86	0.49	1.55	2.23	2.47	2.87	3.05	3.79
Status conscious	4.54	0.23	0.94	4.06	4.41	4.55	4.68	5.00
Internally competitive	2.92	0.46	1.90	2.30	2.62	2.83	3.26	4.20
Face-Saver	4.30	0.45	1.63	3.33	3.86	4.46	4.67	4.96
Bureaucratic	5.06	0.38	1.25	4.39	4.79	5.19	5.30	5.64

Note: The six global leadership dimensions are in bold. The *autonomous* primary leadership dimension is the same as the global *Autonomous* leadership dimension.

SD = standard deviation.

of 7), acting as visionary individuals who are performance oriented, willing to sacrifice self-interest, decisive, and inspirational, with high levels of integrity.

Figure 7.1a shows that CEOs in almost all countries are reported to behave in generally charismatic ways, scoring above 5.



Note: The error bars around each mean depict the 95% confidence interval around that mean for each country. Thus, when countries' confidence intervals do not overlap, their means can be considered significantly different.

Here are a few quotes from a few CEOs in different countries during personal interviews:

We have certainly visions for the future . . . we try to become and stay more independent, minimizing our risks. We try to develop different fields of activity with more and different groups of customers. . . . Moreover, employees are very important for us . . . but not only salary but quality of life, social objectives, that no one of our employees should suffer . . .

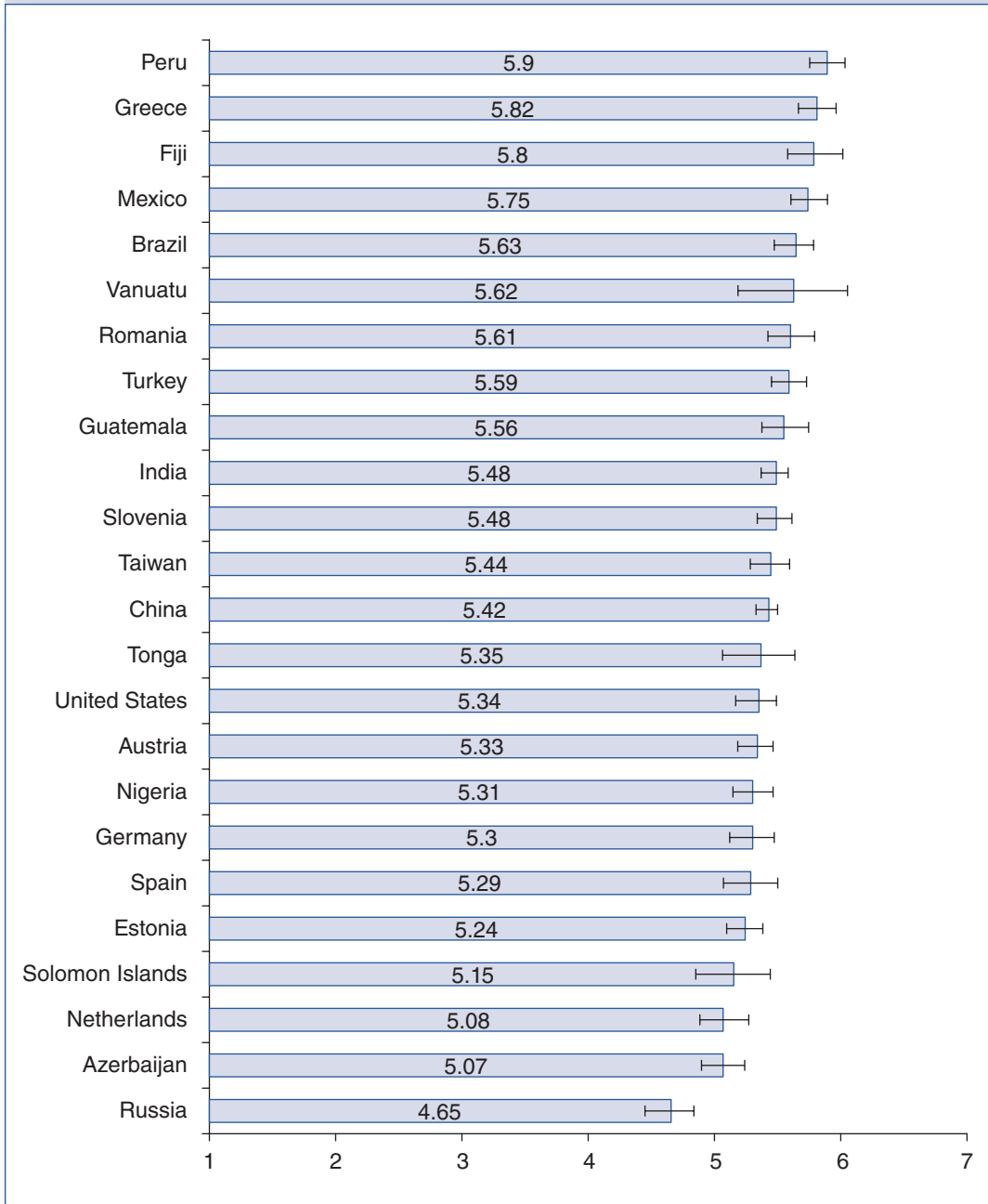
One should set especially high goals in order to achieve what is required from him. . . . I learned that from my mentors in the course of my career.

As a CEO, my main job is to develop the vision and to communicate that so everybody sees the bigger picture about who, what, and why. I visit each and every branch to communicate on one-to-one basis with everybody over here. I also try to talk to people in the factories and in the field. The key to communication of vision is to ensure consistency, what makes sense to the company, and in what it means to employee. In this company, there is no other way of going about it.

I believe that in an organization, each of the employees, regardless of her/his post, she/he shall behave as shareholder, as owner of the company, so that each employee shall not feel that she/he is working for Company X, instead employees shall have the commitment and deeply believe that they are working for themselves. They will have such a feeling only if we relate to each other, and have the commitment to work, as people. If they have such feeling then they will put more effort, they will study and learn to improve what they do, they will work harder because they will feel the commitment to finish something because they are doing it for someone they know and they appreciate, they will be willing to go the extra mile for the Other. For me, that is the key for everything, to work with people as people, in order to achieve the goals of the company.

In the '90s . . . they were looking for a flexible bank . . . they need a much more flexible bank especially oriented toward small and medium size businesses. Following the presentation of my project, my vision about such a bank and my ability to set up such a bank, I realized they share my proposal. . . . Our project got the approval. . . . It was a good idea, because our bank has grown along with SMEs dynamism. . . . My vision worked! It inspired the managerial team—the proof is the bank's quick success.

Table 7.1 also shows that CEOs are typically Team Oriented (5.43 out of 7) by being diplomatic, collaborative, and administratively competent and by avoiding malevolence (2.35 out of 7). Figure 7.1b shows

Figure 7.1b Enactment of Team-Oriented Leadership Behavior

Note: The error bars around each mean depict the 95% confidence interval around that mean for each country. Thus, when countries' confidence intervals do not overlap, their means can be considered significantly different.

that CEOs in almost all countries (with the exception of Russia) are reported to behave in generally Team-Oriented ways, scoring above 5.

Following are a few quotes from the interviewed CEOs:

You as the management can develop the strategy, but you need a long-standing trust, and good cooperation, since they have to put the plan into practice. . . . I go home with good feelings every evening since I know there is good team who can do the job!

Ultimately, as a manager you can do nothing without your employees. That means that you need a team behind you, which you need to motivate.

I think our employees we have here are . . . team-oriented people. A lot of what we do is team oriented. We rely on a lot of meetings and understanding of where we are going as a company. And open communication helps a lot.

My basic strategy was always to build a usually small but functional team of people who had good knowledge of the subject and confidence in their ability to succeed.

My major strengths I would say are teambuilding as with my previous roles in different companies I could bring together a lot of different people from different backgrounds to help them achieve a common purpose, and I have achieved that to some extent.

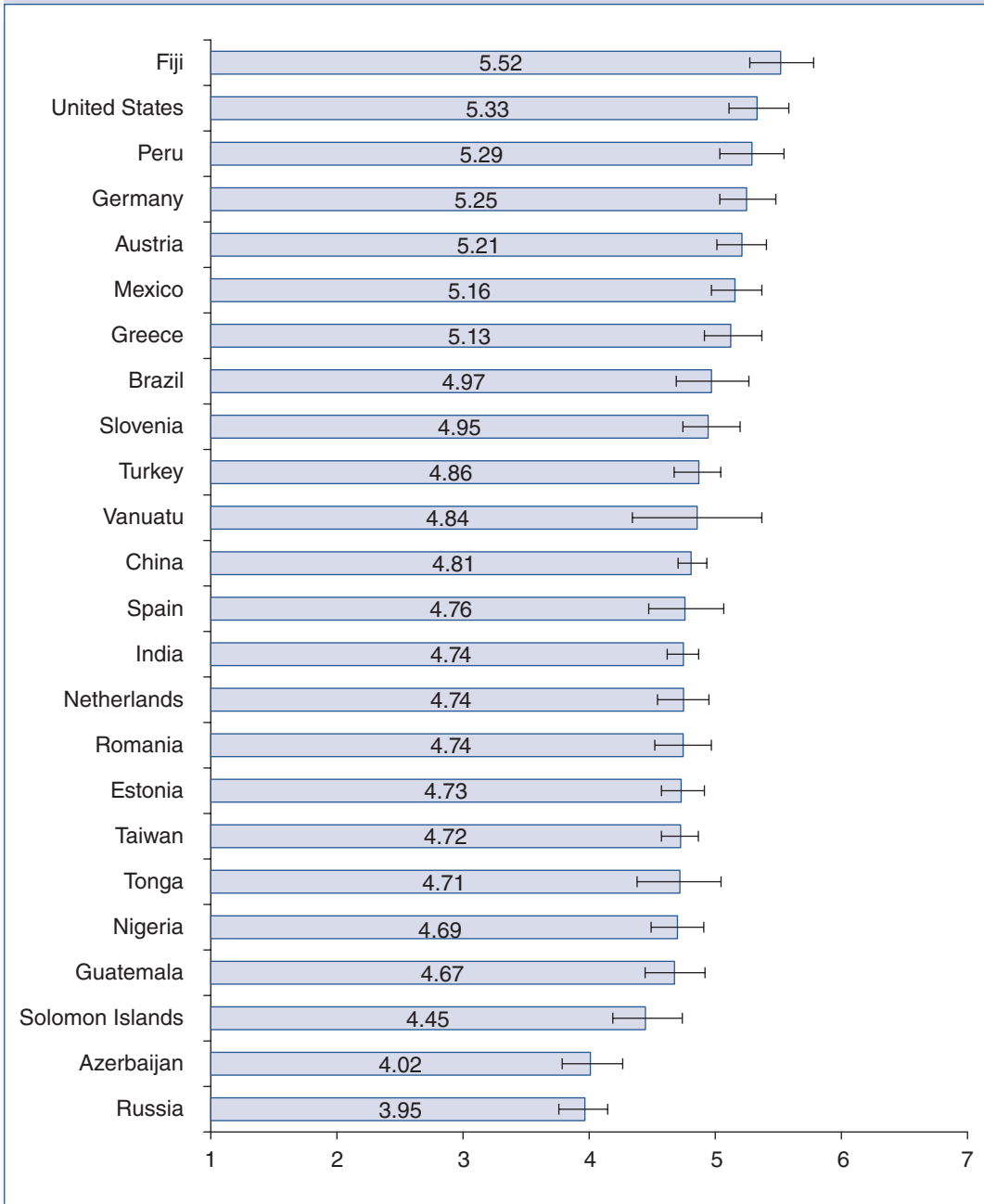
In Table 7.1, CEOs are also reported to be generally Participative (4.84 out of 7) and Humane Oriented (5.00 out of 7). Figures 7.1c and 7.1d show that CEOs in most countries score around 5 on both dimensions.

Here are a few CEO quotes:

Well, I love to delegate, because I know I have weaknesses when it comes to details. I can drive well, I can sell well . . . There were many situations when I had to say, come on now, stop the discussion, and we are going to do this and this. This would be accepted by some while others would say no, that's not so good . . . Well, now I have the experience. If you are communicating well with the people, one will get better ideas, and the ideas will be better (easier) implemented. Only in case, when you have the support of the people, it can really function well. It is not functioning if I simply go and tell that we are going to do this and this. In order to discuss things and to convince each other, we are making these company meetings. Normally, these are a whole day meetings, where we sit from the morning till the evening in order to discuss all the details.

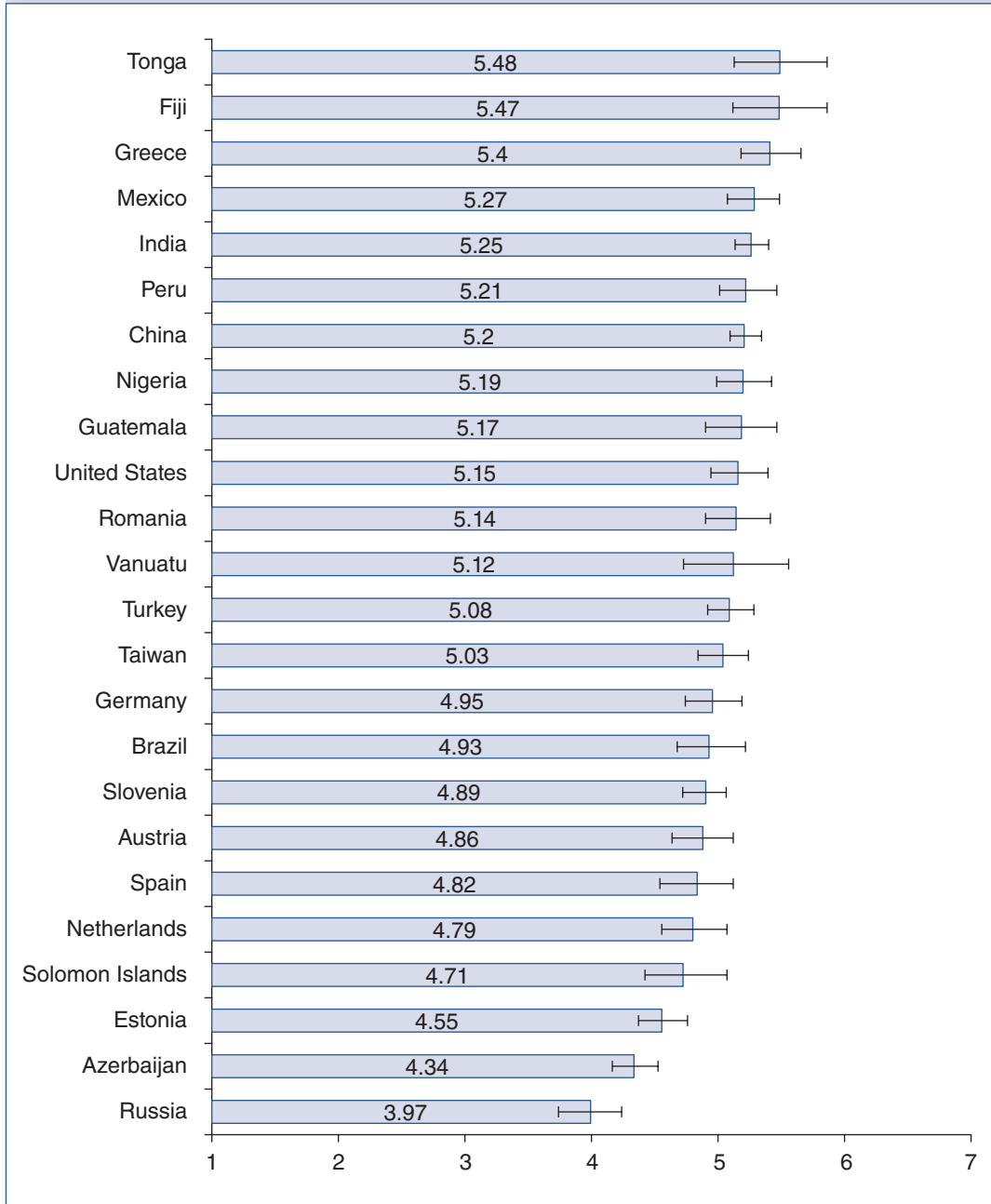
I think we have evolved into having a multilayer approach of both benevolent autocracy and we also have reasonable Participative management style. We are moving into complete empowerment. We would like to evolve management style which empowers all our senior managers to undertake complete control of activities.

Figure 7.1c Enactment of Participative Leadership Behavior



Note: The error bars around each mean depict the 95% confidence interval around that mean for each country. Thus, when countries' confidence intervals do not overlap, their means can be considered significantly different.

My philosophy is Participative style of management to motivate people with vision where we are going and trying to get everybody

Figure 7.1d Enactment of Humane-Oriented Leadership Behavior

Note: The error bars around each mean depict the 95% confidence interval around that mean for each country. Thus, when countries' confidence intervals do not overlap, their means can be considered significantly different.

on board of the train if you will. Where we are going and this is what we are going to do on that I am not fire brim stone type of leader I don't have many cross words with people. If I have to I can do that

but it is very much the team concept. We succeed as a team rather than individually.

I don't have any issue with them (employees) making mistakes if they make mistakes for the right reasons . . . as long as I feel they do right thing, as long as their hearts are in the right place and effort is in the right place, I forgive them a lot and that gives them a lot of freedom to do what they need to do.

At first, I thought that if I didn't have control over everything, things wouldn't be done right. In time, this was diminished—not eliminated . . . I decided to switch this tactic and adopt a more Participative management approach . . . so I managed to relax and let myself make more informed decisions, based on many views . . . which led to better results for the unit.

I put special attention on good, even friendly, relationships with my subordinates. I consider that good relationships in the working environment create a positive, favorable atmosphere that fosters the creative development and progress of the firm.

Treat your subordinates' elders as VIPs.

Table 7.1 also shows that in general, CEOs are not particularly Autonomous (4.11 out of 7) or Self-Protective (3.94 out of 7). Figures 7.1e and 7.1f show that CEO scores in most countries on both dimensions hover around 4.

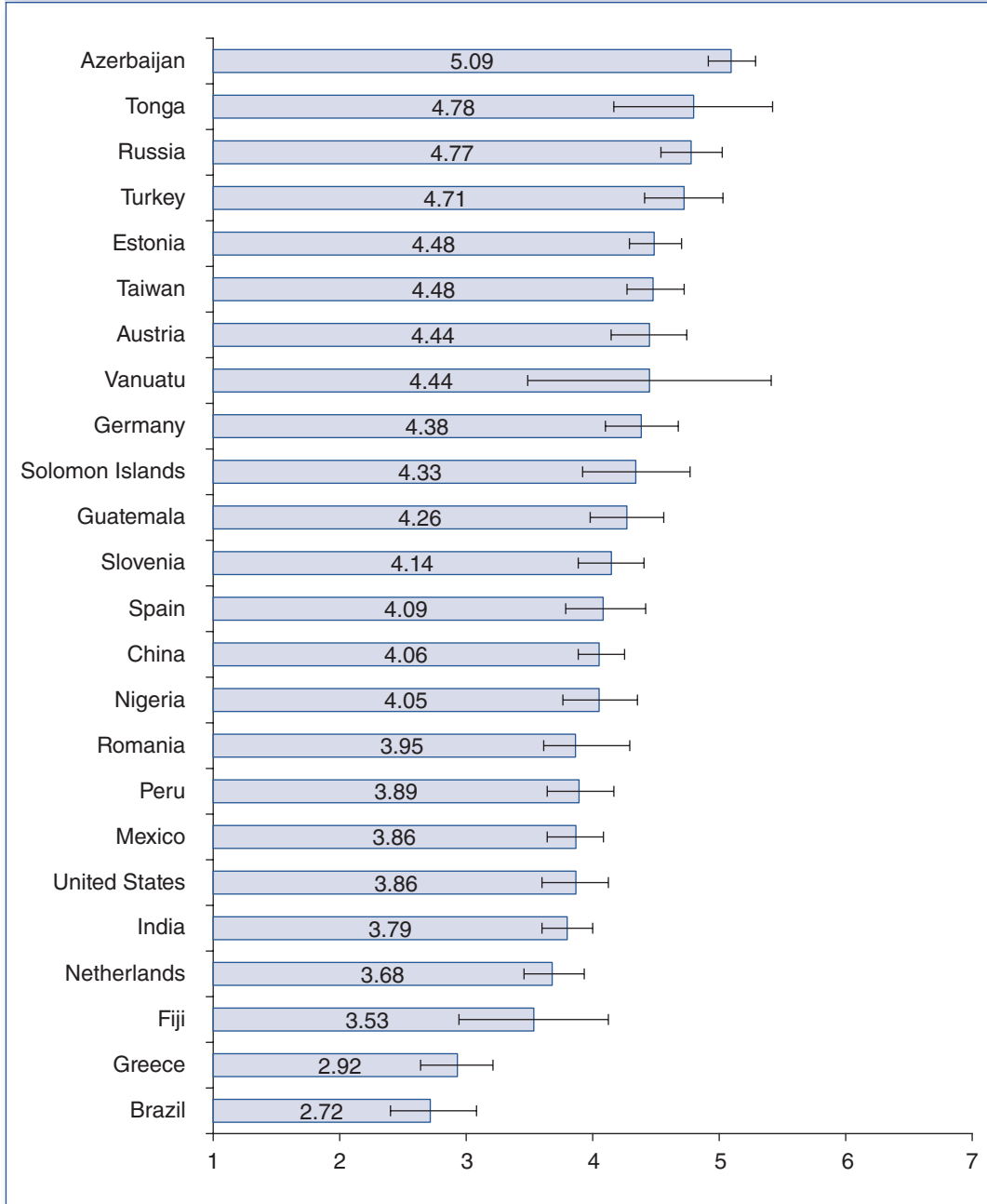
Lastly, Table 7.1 shows that CEOs are typically reported not to be self-centered (2.86 out of 7) or internally competitive (2.92 out of 7). Overall, they tend to be bureaucratic (5.06 out of 7) and somewhat status conscious (4.54) and face-saver (4.30).

In sum, CEOs are generally positively assessed by their direct reports across countries, pointing to the conclusion that while there are differences, overall, at the highest level of corporations, leaders tend to mobilize and engage their teams and are charismatic.

The diversity of CEO behavior across countries is presented in the second (standard deviation, or *SD*) and third (range) columns in Table 7.1. Among the six global leadership behaviors, Self-Protective has the smallest *SD* (0.22) and range (0.81 —minimum score 3.61 and maximum score 4.42) indicating relative similarity among all the CEOs in 24 countries. On the other hand, Autonomous has the largest *SD* (0.55) and range (2.37 —minimum score 2.72 and maximum score 5.09) indicating that CEOs are reported to be somewhat Autonomous in some countries and not Autonomous in other countries.

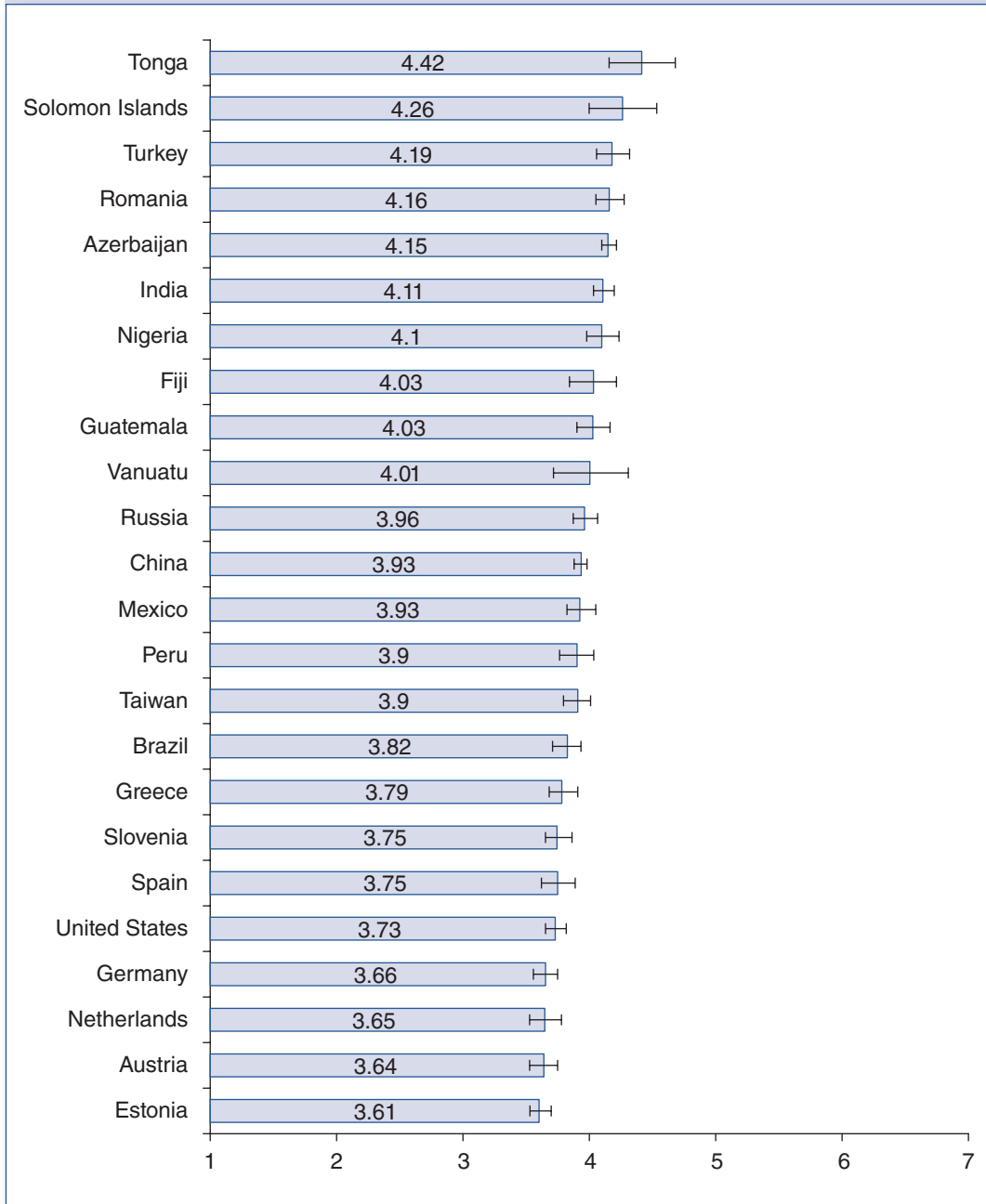
A further review of Figures 7.1a to 7.1f shows that CEOs in Estonia, Solomon Islands, Azerbaijan, and Russia show strong similarities: They tend to behave in less Charismatic, less Team Oriented, less Participative, less Humane Oriented, and more Autonomous ways than the CEOs in other countries. A few CEO quotes are offered here:

I want to see the faces of those who are against me. This helps me to know all the possible threats. Those, who attack, do it, staying behind. And I turn around to see everyone and everything (a Russian CEO).

Figure 7.1e Enactment of Autonomous Leadership Behavior

Note: The error bars around each mean depict the 95% confidence interval around that mean for each country. Thus, when countries' confidence intervals do not overlap, their means can be considered significantly different.

I have always fought against the system. I have tried to find the better way. And that is why I became famous through fights, without help. Sometimes you really need help and support, but the only person you can depend on is yourself (a Russian CEO).

Figure 7.1f Enactment of Self-Protective Leadership Behavior

Note: The error bars around each mean depict the 95% confidence interval around that mean for each country. Thus, when countries' confidence intervals do not overlap, their means can be considered significantly different.

Russia is a unique country in terms of the fact that you are never sure of the next day. It is very hard to plan, to leave problems and the questions for the next day, you always have to wait for the unexpected and think of all the possible and not possible (a Russian CEO).

People who work in this company must share some basic principles that are essential for me and other chief managers. What are they? First of all, these are discipline, obedience, diligence, and loyalty. That's all. I need these qualities first. Only then I would ask them for their intelligence, knowledge and qualification (an Azerbaijani CEO).

I hold a responsibility for my company, for what we are doing. Our company should be strong enough to be able to function under all these obstacles. I have to be strong and sometimes even tight with personnel to avoid anarchy and mistakes. I think it is important to manage with strong hand (an Azerbaijani CEO).

In contrast, CEOs in Mexico, Peru, Fiji, Greece, and Brazil seem to behave in more Charismatic, more Team Oriented, more Participative and Humane Oriented (except Brazil), and less Autonomous ways than the CEOs in other countries.

Understanding CEO Leadership Behavior: Does National Culture Matter?

As explained in Chapter 2 and earlier in this chapter, there is substantial literature arguing for the effect of cultural values on leadership behavior. However, there is a lack of clear rigorous empirical evidence supporting this relationship. It is conventional wisdom that cultural values impact the way leaders behave, but clear empirical support is missing. This is the gap we will fill in this section. As explained in Chapter 1, we identified nine cultural dimensions in GLOBE 2004: Performance Orientation, Assertiveness, Future Orientation, Humane Orientation, Institutional Collectivism, In-Group Collectivism, Gender Egalitarianism, Power Distance, and Uncertainty Avoidance. The detailed information about each country's cultural values is provided in GLOBE 2004 and will not be repeated here. Table 7.2

Table 7.2 Correlations Among Six Global CEO Leader Behaviors and Cultural Values

CEO Leader Behavior Dimension	Cultural Values				
	Uncertainty Avoidance	Future Orientation	Power Distance	Institutional Collectivism	Humane Orientation
Charismatic	.17	.21	-.12	.56*	.05
Team Oriented	.23	.14	-.04	.59*	-.07
Participative	-.27	.04	-.13	.29	.10
Humane Oriented	.20	.25	-.12	.52*	.13
Autonomous	-.13	-.15	.23	-.43	-.11
Self-Protective	.47*	.38	-.02	.19	.10

Note: $N = 18$.

* $p < .05$.

CEO Leader Behavior Dimension	Cultural Values			
	Performance Orientation	In-Group Collectivism	Gender Egalitarianism	Assertiveness
Charismatic	.29	.15	.36	.24
Team Oriented	.16	.09	.20	.14
Participative	.25	.01	.58*	.06
Humane Oriented	.34	.19	.10	.27
Autonomous	-.24	.02	-.46	-.02
Self-Protective	.12	.30	-.47*	.08

Note: N = 18.

*p < .05.

shows the correlations between six global CEO leadership behaviors and the cultural values. A total of 18 countries participated both in GLOBE 2004 and in the current survey. Of the 54 possible correlation coefficients, only 6 are statistically significant (approximately 11%), leading to the conclusion that cultural values generally do not predict CEO leadership behavior. Of course, the fact that our sample consists of 18 countries need to be taken into consideration.

Table 7.3 presents the correlations among the nine cultural values and the 21 primary leadership behaviors and shows that out of a total of 189 possible correlation coefficients, only 15 are significant (approximately 8%)—further confirming that in general, cultural values do not predict leadership behavior. Again, it is important to note that the sample consists of only 18 countries.

Table 7.3 Correlations Among GLOBE Twenty-One Primary Leadership Behaviors and Cultural Values

Primary Leadership Behaviors	Cultural Values				
	Uncertainty Avoidance	Future Orientation	Power Distance	Institutional Collectivism	Humane Orientation
Visionary	.11	.24	-.17	.49*	.08
Inspirational	.20	.16	-.01	.53*	.03
Self-Sacrificial	.12	.03	.04	.44	.01
Integrity	.11	.22	-.13	.58*	.01
Decisive	.15	.04	-.02	.44	-.20
Performance oriented	.28	.42	-.35	.58*	.34

(Continued)

(Continued)

Primary Leadership Behaviors	Cultural Values				
	Uncertainty Avoidance	Future Orientation	Power Distance	Institutional Collectivism	Humane Orientation
Collaborative team orientation	.35	.20	-.04	.60**	-.10
Team integrator	.39	.18	-.01	.53*	-.02
Diplomatic	.09	.12	-.19	.60**	-.03
Malevolent	.31	.05	.14	-.40	.03
Administratively competent	.42	.14	.16	.37	-.13
Participative	.13	.21	-.20	.49*	.22
Autocratic	.52*	.16	.04	-.06	.03
Modesty	.12	.01	.09	.29	-.07
Humane orientation	.26	.43	-.29	.65**	.30
Autonomous	-.13	-.15	.23	-.43	-.10
Self-Centered	.24	.31	-.17	-.10	.23
Status conscious	.44	.35	-.14	.55*	.13
Internally competitive	-.38	-.04	-.11	-.36	.20
Face-Saver	.63**	.31	.05	.32	-.01
Bureaucratic	.25	.08	.24	.08	-.20

Note: $N = 18$.* $p < .05$. ** $p < .01$.

Primary Leadership Dimension	Cultural Values			
	Performance Orientation	In-Group Collectivism	Gender Egalitarianism	Assertiveness
Visionary	.32	.21	.46	.19
Inspirational	.26	.08	.20	.27
Self-Sacrificial	.17	-.06	.09	.45
Integrity	.22	.15	.45	.07
Decisive	.03	.02	.37	.14
Performance-Oriented	.58*	.38	.36	.17
Collaborative team orientation	.11	.09	.06	.17
Team integrator	.21	.13	-.01	.19

Primary Leadership Dimension	Cultural Values			
	Performance Orientation	In-Group Collectivism	Gender Egalitarianism	Assertiveness
Diplomatic	.17	.12	.41	.04
Malevolent	-.12	.07	-.61**	.10
Administratively competent	.07	.10	-.16	.25
Participative	.44	.21	.41	.24
Autocratic	-.04	.15	-.57*	.10
Modesty	.15	-.03	.06	.38
Humane orientation	.46	.37	.12	.13
Autonomous	-.24	.02	-.46	-.02
Self-Centered	.03	.32	-.45	-.14
Status conscious	.05	.26	-.27	-.28
Internally competitive	.13	-.01	-.01	-.27
Face-Saver	.18	.25	-.37	.35
Bureaucratic	-.04	.01	-.16	.37

Note: $N = 18$.

* $p < .05$. ** $p < .01$.

The only possible exception is the cultural value of Institutional Collectivism, which according to Table 7.3, is significantly correlated with several primary leadership behaviors. Societies that value Institutional Collectivism tend to experience CEOs who are particularly Charismatic, Team Oriented, and Participative. In sum, our findings are counter to the conventional wisdom in cross-cultural research in two important ways: First, contrary to popular belief, cultural values do not predict leadership behavior. Second, the only cultural value that has some impact on leadership behavior is Institutional Collectivism, a cultural dimension that was introduced in GLOBE 2004 and has not received sufficient attention by other scholars.

Culturally Endorsed Implicit Leadership Theory Across Countries

Another possible explanation for CEO leadership behavior across countries is the CLT of the different countries. As explained previously, a country's CLT is its culturally endorsed leadership expectations. We identified a country's CLT in our earlier work (House et al., 2004) based on a survey of

middle managers in that country. House and colleagues (2004) provided full details on what CLTs are and how they are measured. In this section, we will first provide descriptive information on the CLTs of the participating countries and then statistically test the relationship between the CLT and CEO leadership behavior.

Table 7.4 presents the average of the CLTs in the participating countries and shows what leaders are generally expected to do. As explained earlier, CLTs are the leadership attributes and behaviors that are expected in a society to lead to outstanding leadership. The table is sorted from the highest expectation (CLT) to lowest expectation. It also shows the average CEO score (across all countries) on corresponding leadership behaviors and the gap between the two (behavior minus CLT). Our statistical analyses show that the gap between CLTs and behaviors is statistically significant for all the six dimensions across the countries.

It is clear from the CLT scores in this table that across the countries in our sample, leaders are generally expected to be Charismatic, Team Oriented, and Participative and somewhat Humane Oriented. They are not expected to be Autonomous or Self-Protective. The table also shows that CEOs' overall behavioral profile is somewhat similar to the overall leadership expectations. They show less Charisma, Team-Oriented, and Participative leadership than expected but more Humane Oriented, Autonomous, and Self-Protective than expected.

Table 7.4 Overall Global Leadership Expectations Versus CEO Leadership Behavior—Six Global Leadership Dimensions

Leadership Dimension	Behavior	Overall CLT	Gap (Behavior–CLT)	Paired Sample <i>t</i> test ¹
Charismatic	5.58	5.81	–0.23	–9.96**
Team Oriented	5.41	5.74	–0.33	–15.46**
Participative	4.84	5.24	–0.40	–14.57**
Humane Oriented	5.02	4.94	0.08	3.02**
Autonomous	4.00	3.80	0.19	4.45**
Self-Protective	3.90	3.58	0.31	20.29**

Note: The values in the Behavior column and the Overall CLT column might differ from other tables (e.g., Table 7.2) because the values reported in this table represent only those CEO/organizations that have both leader behavior and CLT information. Other tables can include CEO/organizations with one but not both of these scales.

Degrees of freedom for the paired sample *t* test was 874 for all leadership dimensions.

***p* < .01.

¹A paired sample *t* test is a more powerful test for differences between two groups than a typical *t* test. Only CEOs who have both leadership behavior data and CLT data are included in the analysis (i.e., the two measures are paired at the CEO level of analysis) and thus controls for random error variance compared to the traditional *t* test.

Appendix 7.1, at the end of this chapter, shows the relationship between CLT and CEO behavior on the six global dimensions across the participating countries as well as in each country. Please note that Azerbaijan and a few other countries did not participate in GLOBE 2004 (House et al., 2004) and therefore do not have CLT information. Here are a few findings of note:

- Brazilian CEOs are as Humane Oriented as expected but not as Participative as desired.
- Chinese CEOs behave in almost perfect unison with their country's CLT.
- Dutch CEOs are much less Charismatic, Team Oriented, and Participative than expected.
- Estonia's CLT does not have very high expectations so Estonian CEOs are more Team Oriented and Participative than expected. They are as Self-Protective as expected but more Autonomous than desired.
- German CEOs are less Participative and more Self-Protective than desired.
- Greek CEOs behave close to expectations but are less Participative and much less Autonomous than desired.
- Russian CEOs are much less Charismatic, Team Oriented, and Participative than expected.
- Taiwanese CEOs are the only group who are less Self-Protective than expected.
- Turkish CEOs are as Humane Oriented and Participative as expected.

Table 7.5 shows similar information in terms of the 21 primary leadership dimensions. It is also sorted in terms of the highest CLT score to lowest. It is clear that integrity is deemed to be the most important leadership expectation followed by inspiration and performance orientation. Leaders are also expected to have a vision and mobilize teams. Perhaps a surprising finding is

Table 7.5 Overall Global Leadership Expectations Versus CEO Leadership Behavior—Twenty-One Global Leadership Dimensions

Leadership Dimension	Behavior	Overall CLT	Gap (Behavior—CLT)	Paired Sample <i>t</i> test	Average Percentage of CEOs Across Countries Who Received 5.5 or Higher on Behavior Dimension
Integrity	5.59	6.11	-0.52	-19.69**	63%
Inspirational	5.63	6.03	-0.40	-14.22**	62%

(Continued)

(Continued)

Leadership Dimension	Behavior	Overall CLT	Gap (Behavior—CLT)	Paired Sample <i>t</i> test	Average Percentage of CEOs Across Countries Who Received 5.5 or Higher on Behavior Dimension
Performance oriented	5.71	6.00	-0.28	-11.39**	70%
Visionary	5.68	5.99	-0.31	-11.66**	66%
Administratively competent	5.48	5.88	-0.40	-13.99**	58%
Team integrator	5.04	5.85	-0.81	-36.11**	29%
Decisive	5.63	5.72	-0.08	-2.60**	61%
Collaborative team orientation	5.25	5.52	-0.26	-8.53**	46%
Diplomatic	5.61	5.47	0.14	5.22**	64%
Participative	5.20	5.14	0.05	1.54 ^{ns}	44%
Self-Sacrificial	5.24	5.03	0.20	7.05**	42%
Modesty	4.95	5.03	-0.08	-2.58**	29%
Humane orientation	5.09	4.86	0.23	8.01**	34%
Status conscious	4.48	4.52	-0.03	-1.22 ^{ns}	11%
Internally competitive	2.87	4.05	-1.18	-32.93**	0%
Bureaucratic	5.00	3.98	1.02	35.07**	35%
Autonomous	4.00	3.80	0.19	5.54**	11%
Face-Saver	4.30	3.17	1.13	36.00**	13%
Autocratic	3.51	2.67	0.84	25.28**	0%
Self-Centered	2.82	2.21	0.61	15.85**	1%
Malevolent	2.30	2.01	0.29	8.20**	0%

Note: The values in the Behavior column and the Overall CLT column might differ from other tables (e.g., Table 7.2) because the values reported in this table represent only those CEO/organizations that have both leader behavior and CLT information. Other tables can include CEO/organizations with one but not both of these scales.

Degrees of freedom for the paired sample *t* test was ranged from 854 to 874.

***p* < .01.

that leaders are also expected to be administratively competent. Particularly undesirable leadership attributes are those of being self-centered, autocratic, and malevolent.

The table also shows that CEOs in general tend to behave in accordance with CLTs. However, our statistical analyses show that the gap between the CLT and behavior for the 21 primary leadership dimensions is statistically significant across the countries with the exception of participative and status conscious. Of particular note in Table 7.5 is that for the highly desirable CLTs such as inspirational where the average CLT score is 5.5 or higher, the corresponding CEO average behavior scores, while high, tend to be lower than the CLT scores. In contrast, for the neutral or undesirable CLTs such as autocratic, where the average CLT score is below 4, the CEO average behavior scores tend to be higher than the CLT scores. In other words, while CEOs receive generally positive assessments across countries, they act below expectations on the desirable attributes and act excessively on the undesirable attributes. While they behave close to expectations, they do not fully match them.

The last column in Table 7.5 shows the average percentage of CEOs across countries whose behavior received a score of 5.5 or higher, indicating that the particular behavior is enacted at high levels. The table shows that across countries, 70% of CEOs are reported to be high performance oriented. Over 60% of CEOs are reported to be inspirational, visionary, decisive, and diplomatic. Over 60% are also believed to have high integrity. Furthermore, 58% of CEOs are reported to be administratively competent. A small percentage of CEOs—29%—are reported to be very modest or team integrator. Lastly, less than half are viewed as very collaborative, participative, and self-sacrificial.

Appendix 7.2 at the end of this chapter shows the CLT and leadership behavior profiles for each country for the 21 primary leadership dimensions. A few countries like Azerbaijan did not participate in GLOBE 2004 (House et al., 2004) and do not have country data for CLT.

Figures 7.2a to 7.2s show the contrast between each country's CLT and its average CEO behavior. Here are a few findings of note:

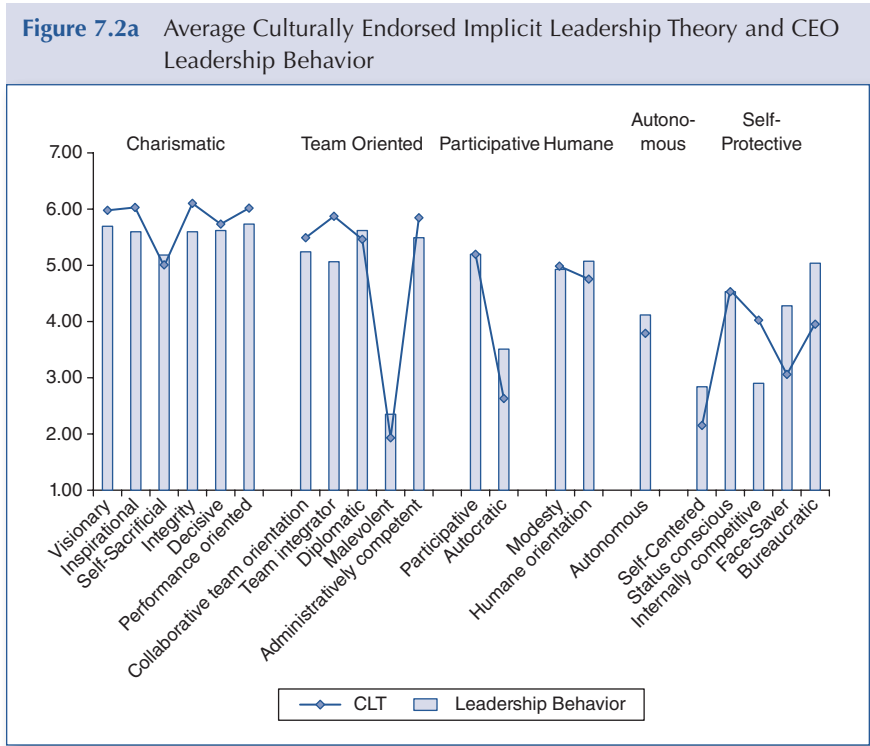
- In general, CEOs are as self-sacrificial, decisive, diplomatic, and participative as expected. They are also more humane, self-centered, autocratic, and face-saving than desired. Lastly, while CEOs are generally more bureaucratic than expected, they are less administratively competent than desired (Figure 7.2a).
- Austrians (Figure 7.2b), Germans (Figure 7.2f), and Americans (Figure 7.2s) have very high expectations from their leaders in terms of inspiration, integrity, and performance orientation (all above 6). Austrian, German, and American CEOs, while assessed reasonably highly, do fall short of these expectations.
- Austrian CEOs (Figure 7.2b) are less collaborative, team integrator, administratively competent, and participative than expected. They are also more autocratic and bureaucratic than desired.
- Brazilians (Figure 7.2c) have very high expectations from their leaders in terms of integrity, inspiration, and performance orientation. Brazilian

CEOs behave close to these expectations but fall a little short. They are also less Team Oriented, administratively competent, participative, and modest than desired. They are more humane, autocratic, and bureaucratic than expected.

- Chinese CEOs (Figure 7.2d) behave in general harmony with their country's CLT. The major exceptions are that they tend to be more self-sacrificial but show less integrity than desired. They are also less internally competitive and more bureaucratic than desired.
- German CEOs (Figure 7.2f) are far more bureaucratic and face-saver and more humane than desired. They are also more autocratic and less participative than expected.
- Greek CEOs (Figure 7.2g) behave close to their country's expectations. The major exceptions are that they are more autocratic, bureaucratic, and face-saver than desired. They are also less team integrator, autonomous, and internally competitive than expected.
- Indian CEOs (Figure 7.2i) act close to their country's CLT. The major exceptions are that they are more autocratic, bureaucratic, and face-saver than desired. They are less team integrator and internally competitive than expected.
- Mexican CEOs (Figure 7.2j) are more bureaucratic, participative, humane oriented, and face-saver than desired.
- Dutch CEOs (Figure 7.2k) fall short of their country's expectations in terms of vision, inspiration, integrity, decisiveness, performance orientation, team integration, administrative competence, and participation. They are more autocratic, self-centered, face-saver, and bureaucratic than desired.
- Russian CEOs (Figure 7.2n) behave very differently from their country's expectations on almost all the 21 primary dimensions. They fall short of the expectations on most dimensions. The major exceptions are that they are more bureaucratic, face-saver, self-centered, autocratic, and malevolent than desired.

Does Culturally Endorsed Implicit Leadership Theory Predict CEO Leadership Behavior?

As explained earlier in this chapter, our hypothesis is that a country's CLT impacts and drives the behavior of leaders by communicating what is expected of them. In this section, we will statistically test this relationship. Table 7.6 shows the correlations among the six CLT dimensions and their corresponding six global CEO leadership behavior dimensions. Four of the six global CLT dimensions are significantly correlated with their counterpart leadership behaviors. Another CLT dimension, Team Oriented, shows a trend toward significant correlation ($p < .1$), and only one, Charismatic leadership, is not correlated with its counterpart



For Leadership Behavior: Indicate your level of agreement with the extent to which your CEO demonstrates the behavior.

- 1 = Strongly Disagree
- 2 = Moderately Disagree
- 3 = Slightly Disagree
- 4 = Neither Agree nor Disagree
- 5 = Slightly Agree
- 6 = Moderately Agree
- 7 = Strongly Agree

For CLT:

- 1 = This behavior or characteristic **greatly inhibits** a person from being an outstanding leader.
- 2 = This behavior or characteristic **somewhat inhibits** a person from being an outstanding leader.
- 3 = This behavior or characteristic **slightly inhibits** a person from being an outstanding leader.
- 4 = This behavior or characteristic **has no impact** on whether a person is an outstanding leader.
- 5 = This behavior or characteristic **contributes slightly** to a person being an outstanding leader.
- 6 = This behavior or characteristic **contributes somewhat** to a person being an outstanding leader.
- 7 = This behavior or characteristic **contributes greatly** to a person being an outstanding leader.

Figure 7.2b Austria Culturally Endorsed Implicit Leadership Theory and CEO Leadership Behavior

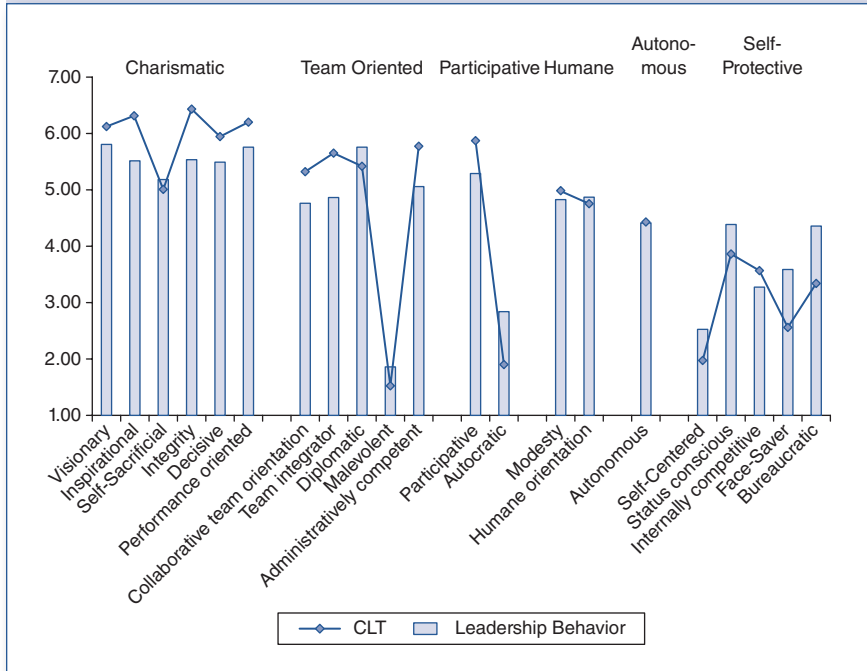


Figure 7.2c Brazil Culturally Endorsed Implicit Leadership Theory and CEO Leadership Behavior

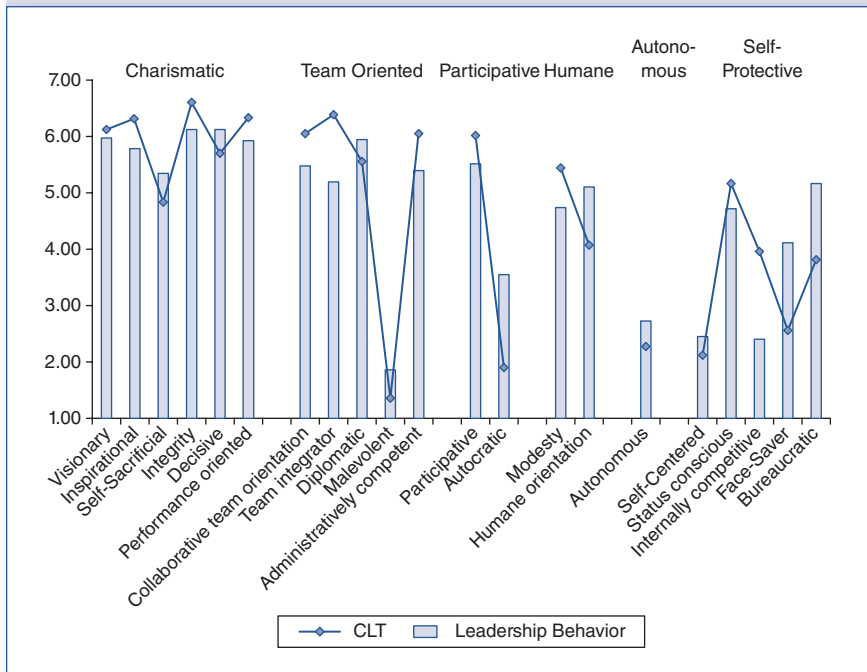


Figure 7.2d China Culturally Endorsed Implicit Leadership Theory and CEO Leadership Behavior

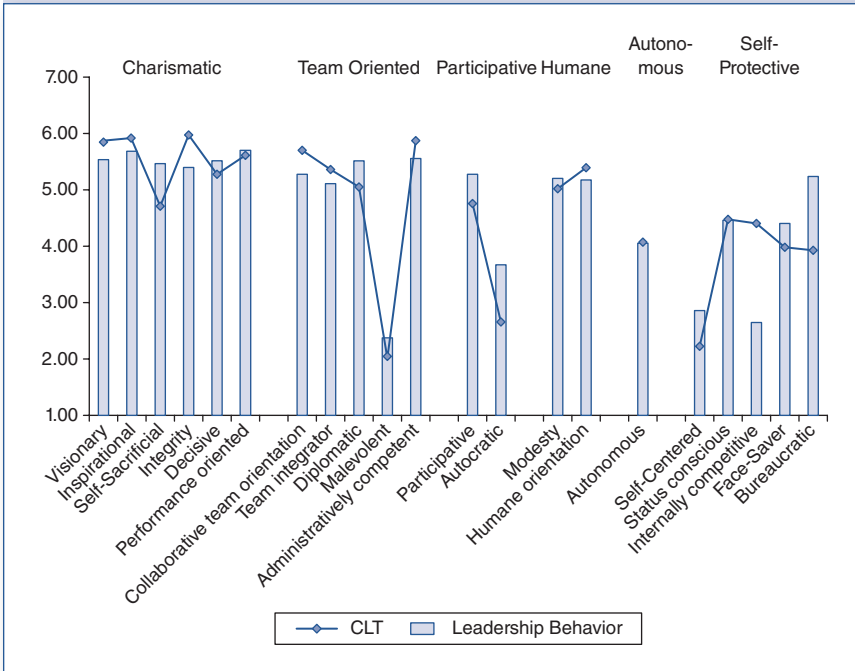


Figure 7.2e Estonia Culturally Endorsed Implicit Leadership Theory and CEO Leadership Behavior

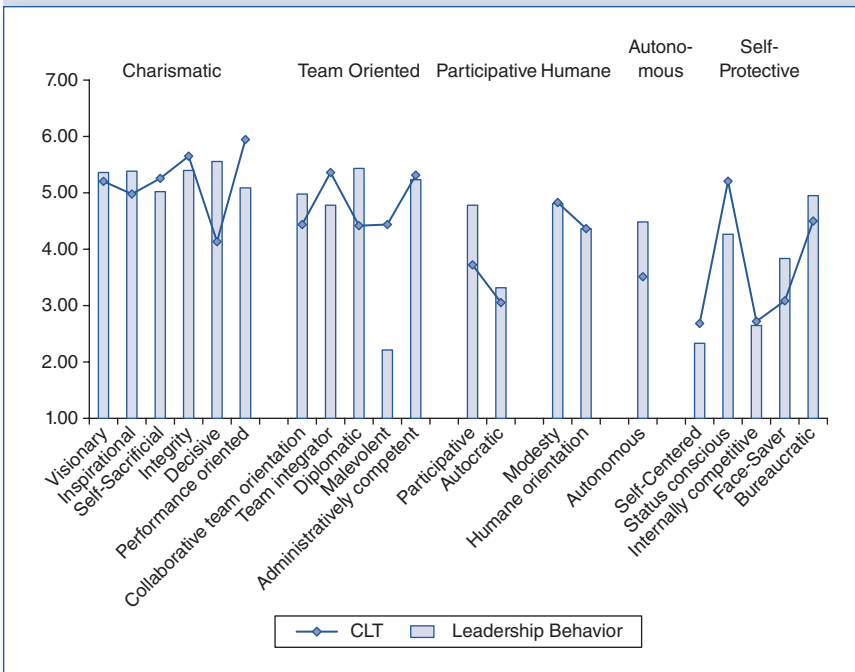


Figure 7.2f Germany Culturally Endorsed Implicit Leadership Theory and CEO Leadership Behavior

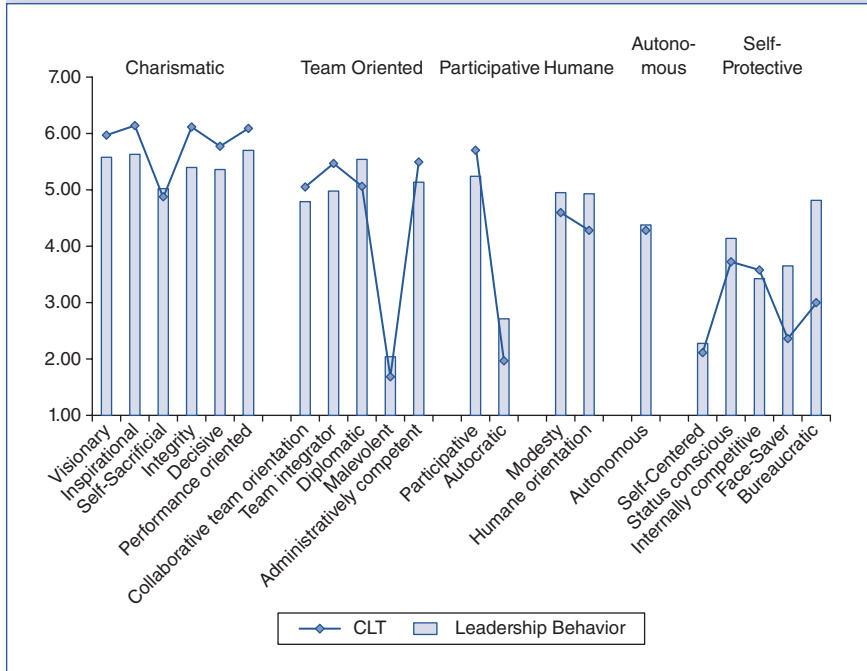


Figure 7.2g Greece Culturally Endorsed Implicit Leadership Theory and CEO Leadership Behavior

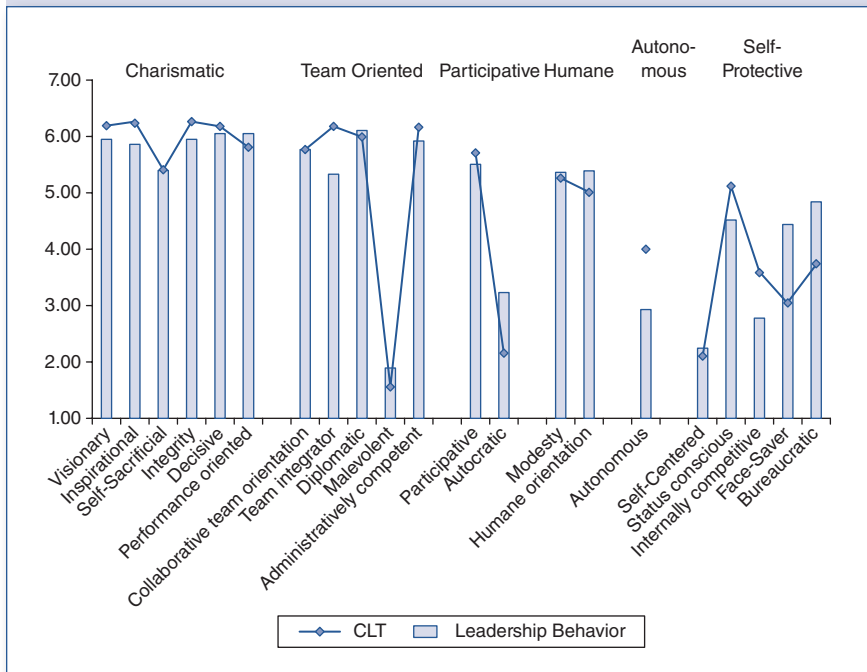


Figure 7.2h Guatemala Culturally Endorsed Implicit Leadership Theory and CEO Leadership Behavior

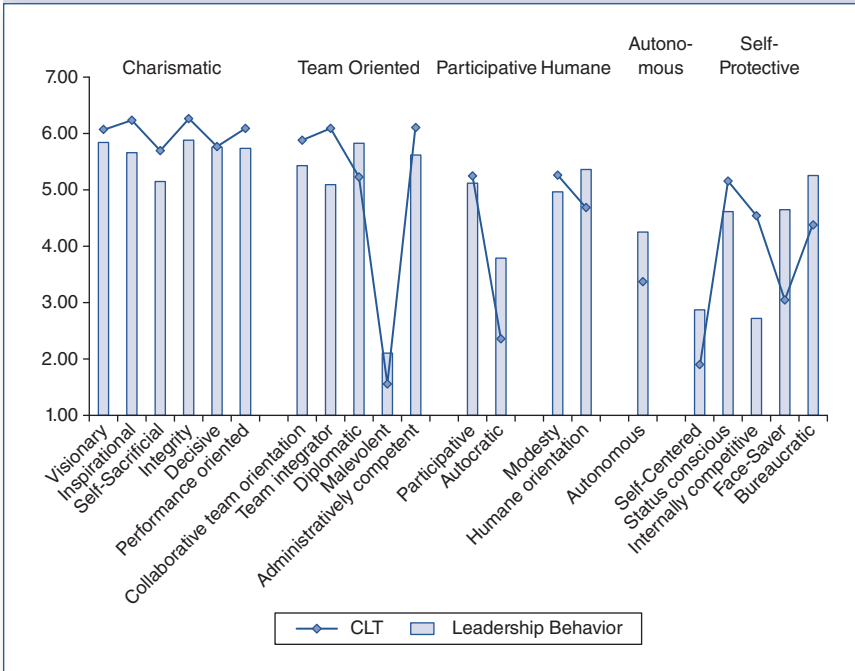


Figure 7.2i India Culturally Endorsed Implicit Leadership Theory and CEO Leadership Behavior

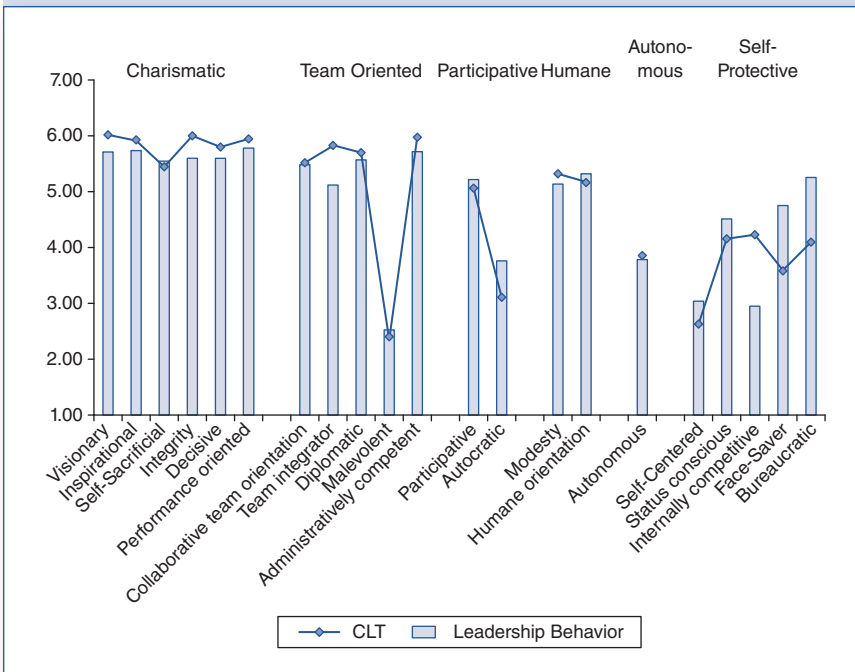


Figure 7.2j Mexico Culturally Endorsed Implicit Leadership Theory and CEO Leadership Behavior

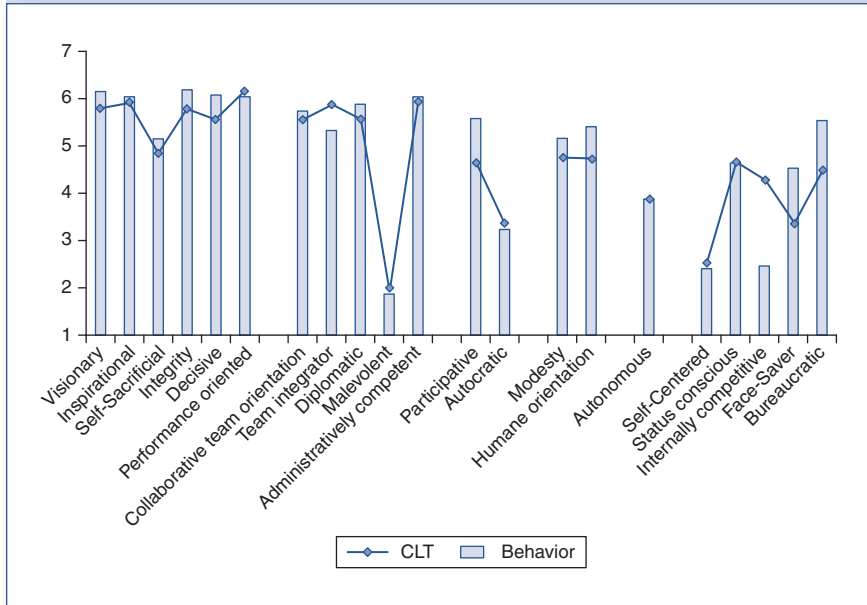


Figure 7.2k Netherlands Culturally Endorsed Implicit Leadership Theory and CEO Leadership Behavior

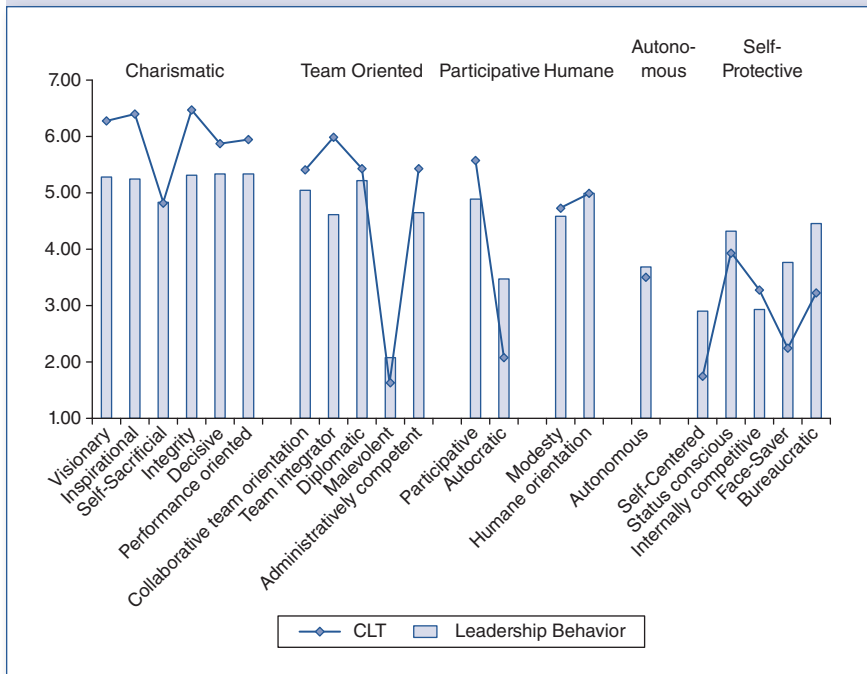


Figure 7.21 Nigeria Culturally Endorsed Implicit Leadership Theory and CEO Leadership Behavior

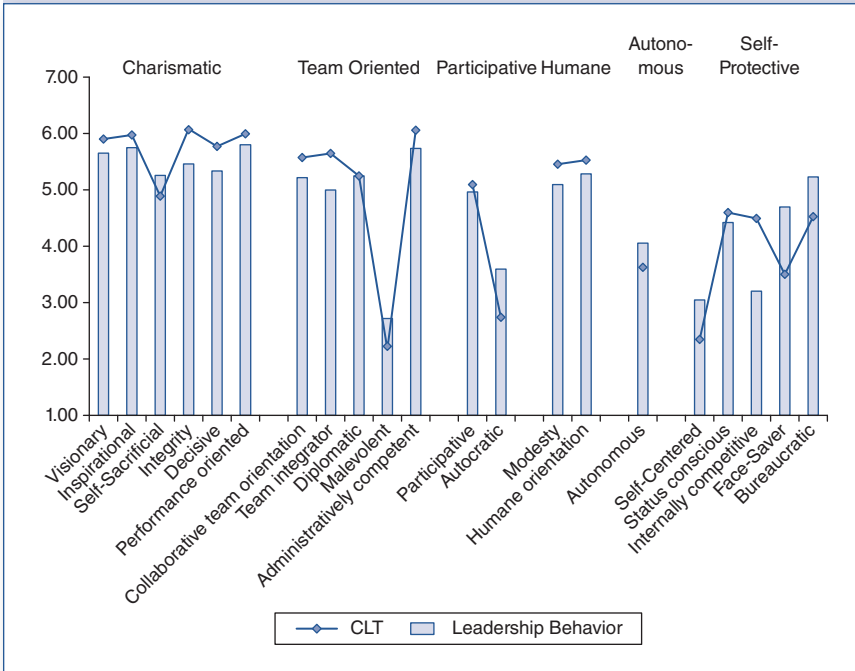


Figure 7.2m Romania Culturally Endorsed Implicit Leadership Theory and CEO Leadership Behavior

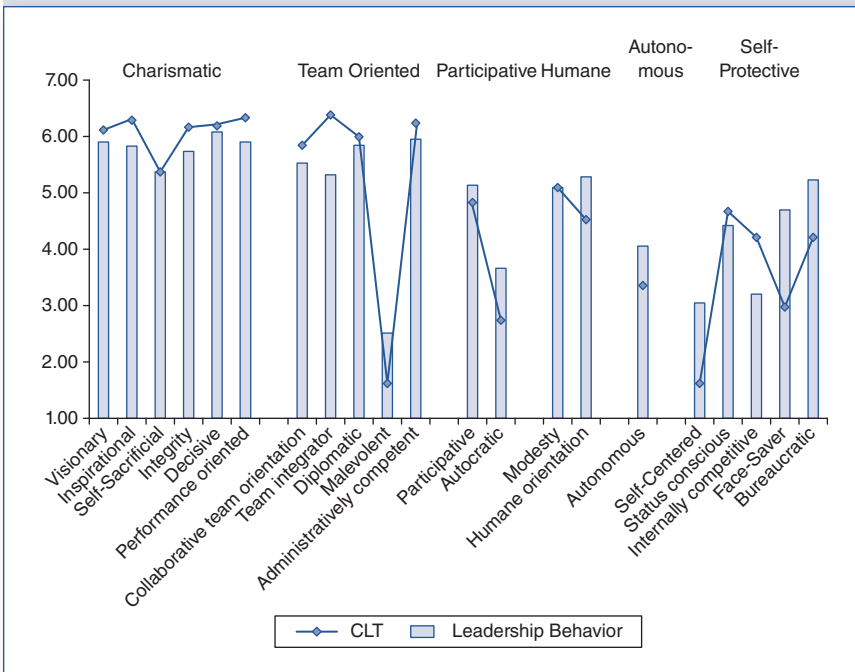


Figure 7.2n Russia Culturally Endorsed Implicit Leadership Theory and CEO Leadership Behavior

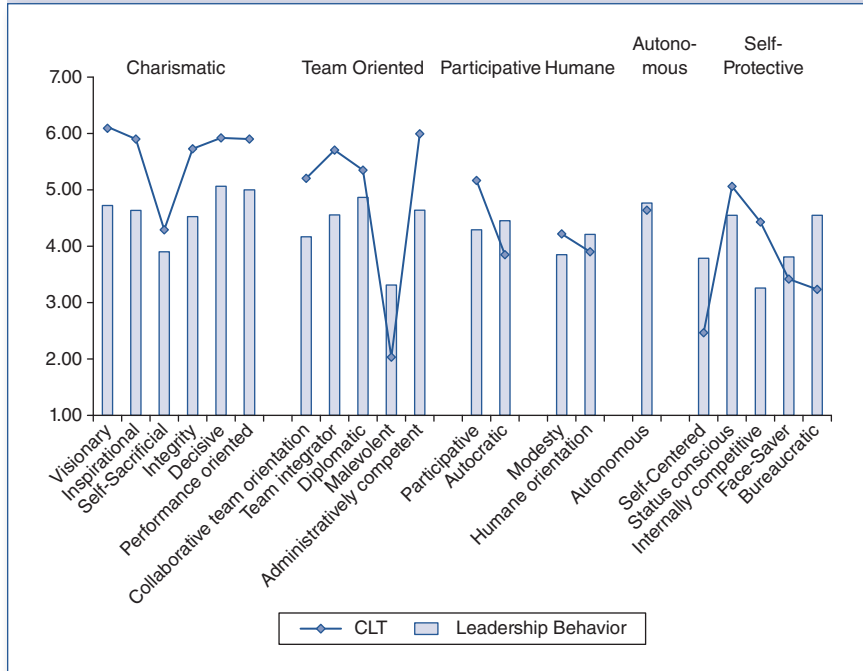


Figure 7.2o Slovenia Culturally Endorsed Implicit Leadership Theory and CEO Leadership Behavior

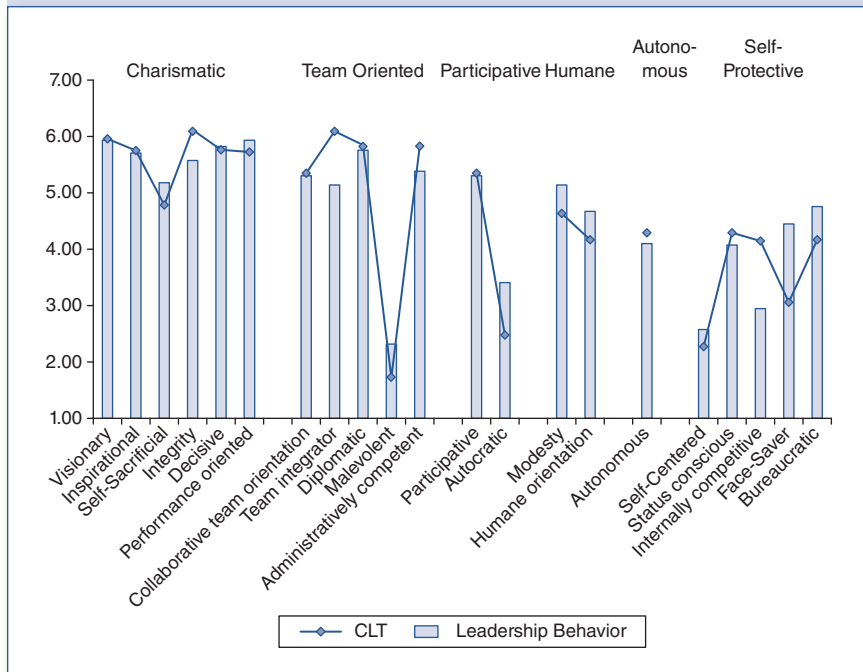


Figure 7.2p Spain Culturally Endorsed Implicit Leadership Theory and CEO Leadership Behavior

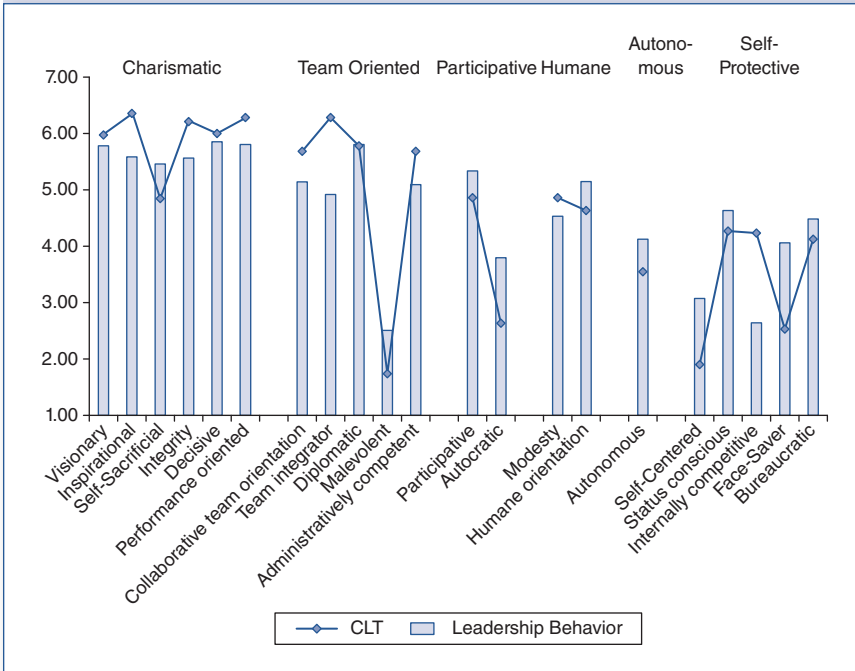


Figure 7.2q Taiwan Culturally Endorsed Implicit Leadership Theory and CEO Leadership Behavior

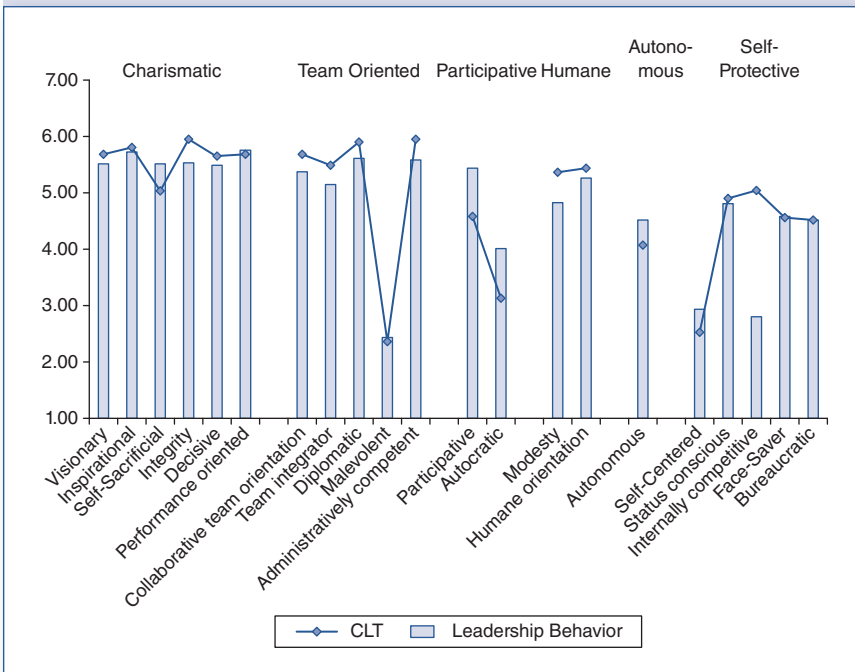


Figure 7.2r Turkey Culturally Endorsed Implicit Leadership Theory and CEO Leadership Behavior

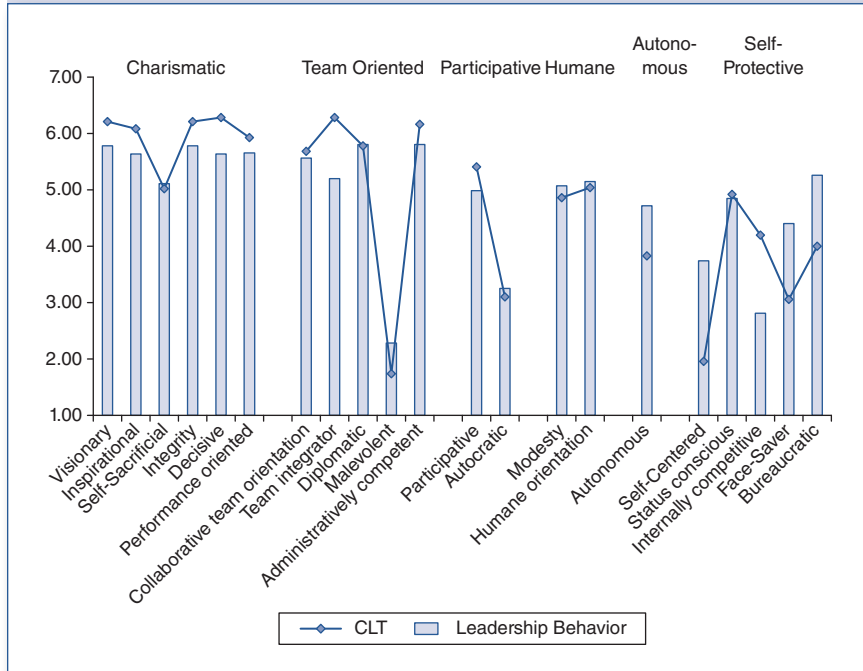


Figure 7.2s United States Culturally Endorsed Implicit Leadership Theory and CEO Leadership Behavior

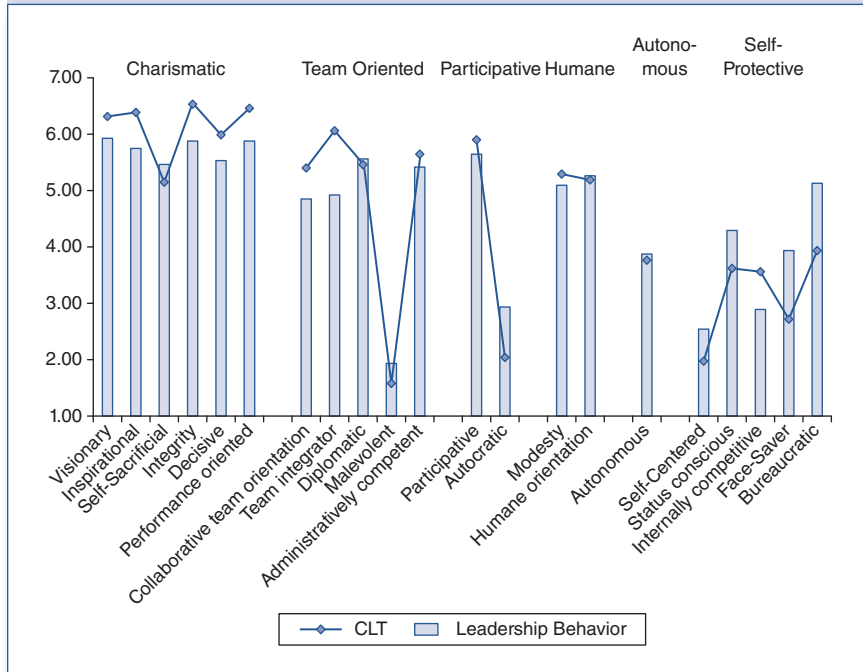


Table 7.6 Correlations Among Six Global Culturally Endorsed Implicit Leadership Theory Dimensions and CEO Leader Behaviors

Global CLT Dimension		Global CEO Leader Behavior Dimension					
		1	2	3	4	5	6
1	Charismatic	.377					
2	Team Oriented		.450 [†]				
3	Participative			.576*			
4	Humane Oriented				.748**		
5	Autonomous					.598**	
6	Self-Protective						.587*

Note: N = 18.

† $p < .10$. * $p < .05$. ** $p < .01$.

behavior. These findings lead to the conclusion that CLTs are generally predictive of CEO leadership behavior.

To further examine the relationship, the following tables present the correlations between the 21 primary CLT dimensions and their counterpart behaviors. Table 7.7a shows that only one of the six primary dimensions of Charismatic leadership, self-sacrificial, is correlated with its corresponding leader behavior. In Table 7.7b, three of the five primary dimensions of Team Oriented are correlated with their counterpart

Table 7.7a Correlations Among Primary Dimensions of Culturally Endorsed Implicit Leadership Theory and CEO Leader Behavior Dimensions

CLT Primary Dimension		Global Dimension: Charismatic					
		Leader Behavior Dimension					
		1	2	3	4	5	6
1	Visionary	.18					
2	Inspirational		.17				
3	Self-Sacrificial			.53*			
4	Integrity				.42		
5	Decisive					.13	
6	Performance oriented						.24

Note: N = 18, N-Sample size.

* $p < .05$.

Table 7.7b Correlations Among Primary Dimensions of Culturally Endorsed Implicit Leadership Theory and CEO Leader Behavior Dimensions

Primary Dimensions		Global Dimension: Team Oriented				
		CEO Primary Leader Behavior				
		1	2	3	4	5
1	Collaborative team orientation	.59*				
2	Team integrator		.36			
3	Diplomatic			.47*		
4	Malevolent				.20	
5	Administratively competent					.62**

Note: $N = 18$, N -Sample size.

* $p < .05$. ** $p < .01$.

Table 7.7c Correlations Among Primary Dimensions of Culturally Endorsed Implicit Leadership Theory and CEO Leader Behavior Dimensions

CLT Primary Dimension		Global Dimension: Participative	
		CEO Leader Behavior Dimension	
		1	2
1	Participative	.30	
2	Autocratic		.60**

Note: $N = 18$, N -Sample size.

** $p < .01$.

Table 7.7d Correlations Among Primary Dimensions of Culturally Endorsed Implicit Leadership Theory and CEO Leader Behavior Dimensions

CLT Primary Dimension		Global Dimension: Humane Oriented	
		CEO Leader Behavior Dimension	
		1	2
1	Modesty	.55*	
2	Humane orientation		.66**

Note: $N = 18$, N -Sample size.

* $p < .05$. ** $p < .01$.

Table 7.7e Correlations Among Primary Dimensions of Culturally Endorsed Implicit Leadership Theory and CEO Leader Behavior Dimensions

Global Dimension: Autonomous		
CLT Primary Dimension		CEO Leader Behavior Dimension
		1
1	Autonomous	.60**

Note: N = 18, N-Sample size.

**p < .01.

Table 7.7f Correlations Among Primary Dimensions of Culturally Endorsed Implicit Leadership Theory and CEO Leader Behavior Dimensions

Global Dimension: Self-Protective						
CLT Primary Dimension		CEO Leader Behavior Dimension				
		1	2	3	4	5
1	Self-Centered	-.08				
2	Status conscious		.55*			
3	Internally competitive			-.07		
4	Face-Saver				.59**	
5	Bureaucratic					.49*

Note: N = 18, N-Sample size.

*p < .05. **p < .01.

behaviors. Tables 7.7c to 7.7e show that the primary CLT dimensions of Participative, Humane Oriented, and Autonomous are correlated with their corresponding behaviors while Table 7.7f shows that three out of five Self-Protective primary dimensions are correlated with their counterpart behaviors.

Summary

In this chapter, we showed how and why CEOs behave as leaders. We provided detailed information on CEO behavior in each participating country and showed the results of our statistical analyses linking CEO behavior to cultural values and CLTs. Our results show that, contrary to popular opinion, cultural values do not predict CEO leadership

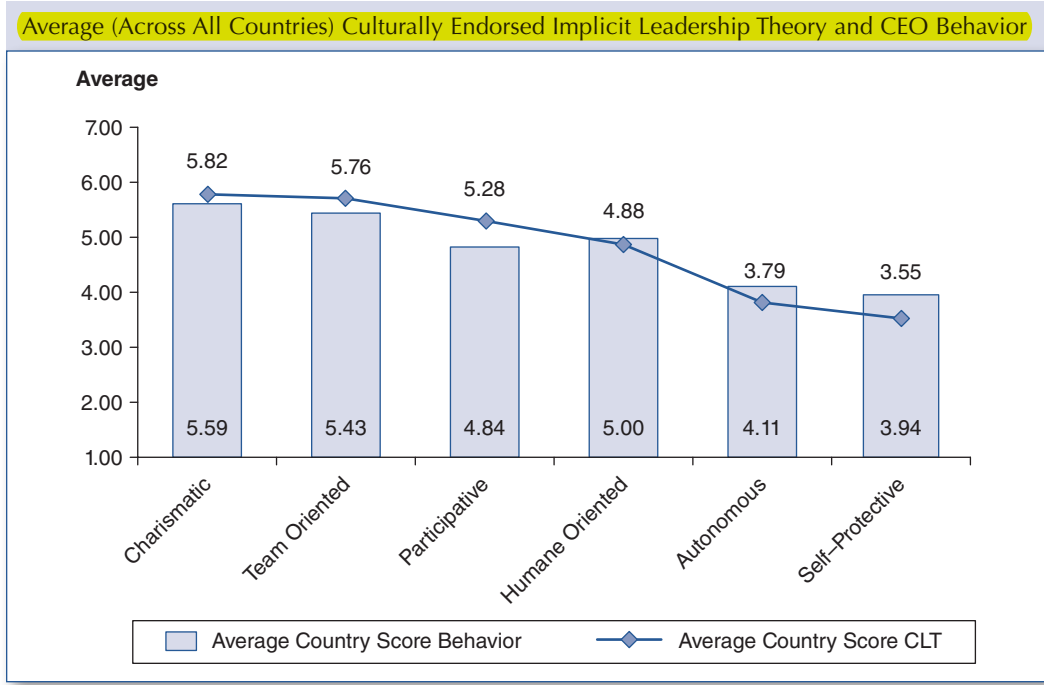
behavior. We showed strong evidence that there is little direct relationship between cultural values and CEO leadership behavior. The only exception was the cultural value of Institutional Collectivism, which did predict a few of the CEO leadership behaviors. In contrast, we showed strong evidence that CLTs do indeed predict leadership behavior. What does this mean? In GLOBE 2004, we showed that cultural values of countries predict their CLTs. In other words, a society's expectations of its leaders are driven by its cultural values. For example, cultures that value Performance Orientation believe leaders need to be Charismatic in order to be outstanding. Our work shows that CLTs drive CEO leader behaviors. In other words, the way leaders behave in a society tends to be generally consistent with the society's leadership expectations. In short, cultural values do not directly predict leadership behavior. Instead, they drive the cultural expectations that in turn drive leader behaviors. So culture's impact on leadership behavior is mediated through its CLT, as shown here.

Cultural values → CLT → Leadership behavior

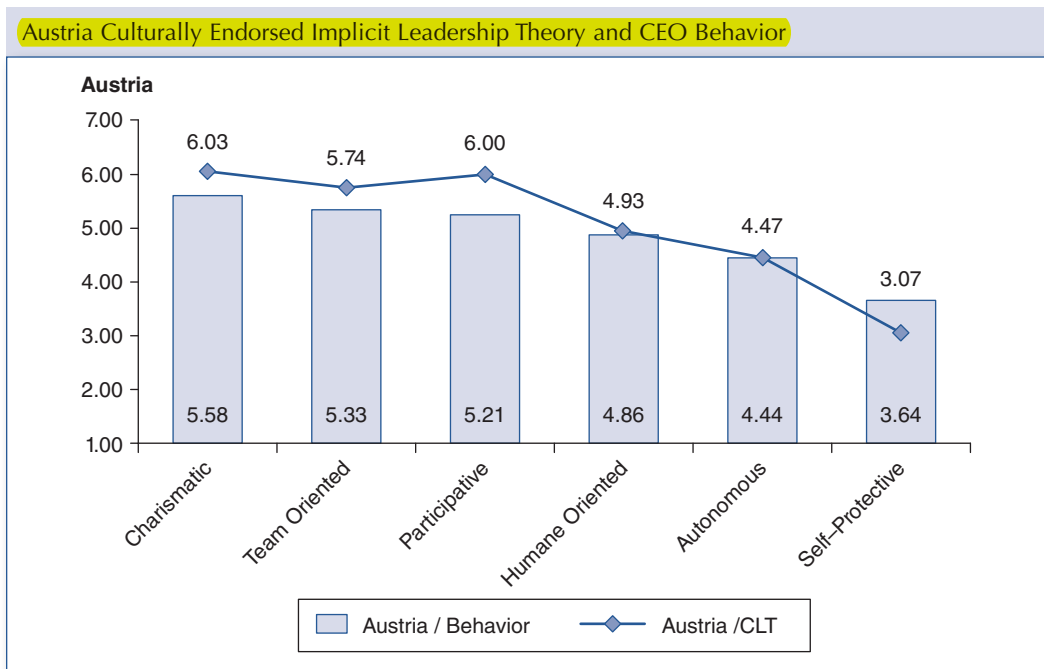
Our findings are also related to the literature on strategic leadership (Finkelstein et al., 2009). Finkelstein and Hambrick (1996) argued that CEOs operate under constraints, and their ability to influence the fate of the organization depends on how much managerial discretion they have. They further argued that environmental forces such as industry dynamics and legal frameworks could constrain the CEO's actions. Our findings point to another source of managerial discretion: the country's culturally endorsed implicit leadership theory (CLT). CEOs tend to act in accordance to their country's CLT. While, in theory, they may be free to act as they wish, in practice, they end up following the CLT of their country and are constrained in the way they can behave. Falling short of the country CLT can have performance implications for the CEO and for the firm.

To summarize, this chapter provided a detailed analysis of how CEOs in different countries behave and how their behavior compares to their countries' expectations. In Chapter 10, our purpose is to better understand the relationship between what a society expects from its leaders and how CEOs behave in that society. We compare two extreme groups of CEOs: The first group consists of CEOs who are extremely effective, whom we call "superior CEOs." These are CEOs associated with extremely high levels of Firm Competitive Performance or TMT Dedication. The second group consists of CEOs who are much less effective, whom we call "inferior CEOs."

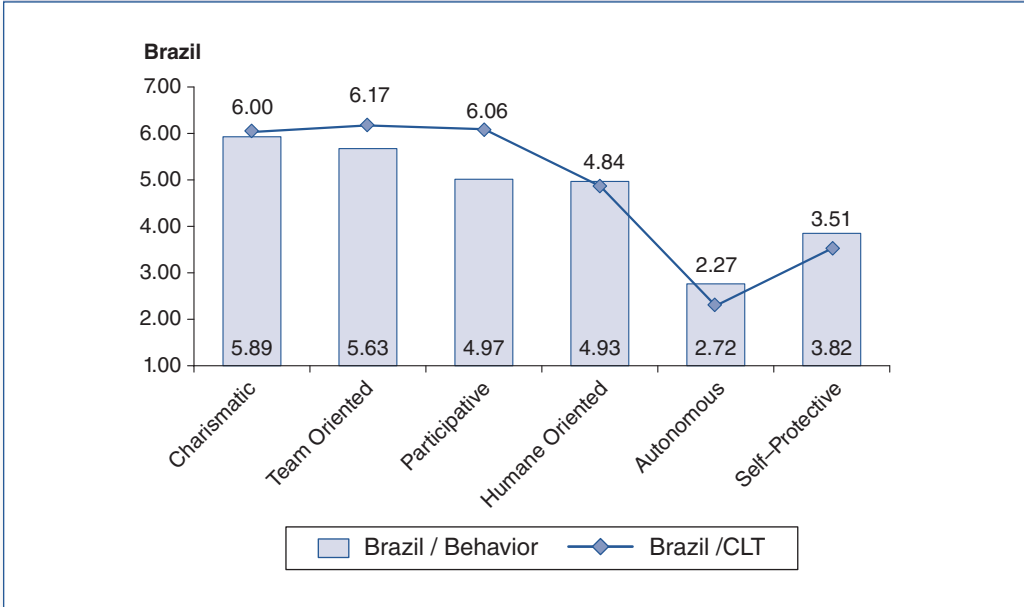
Appendix 7.1. Country Culturally Endorsed Implicit Leadership Theories and CEO Leadership Behaviors: Six Global Dimensions



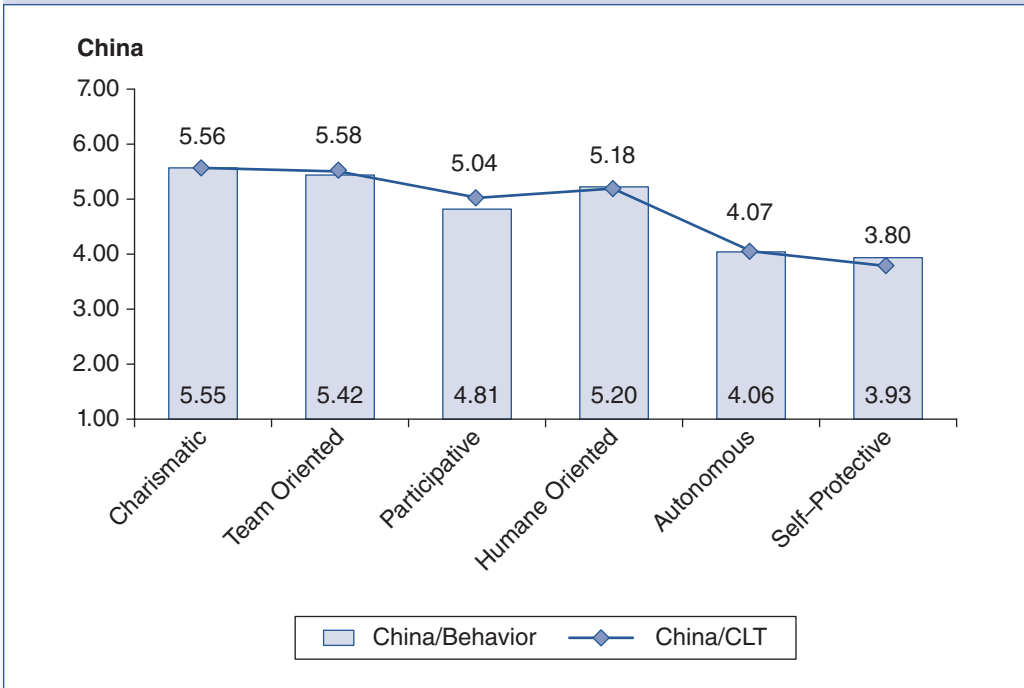
Note: There are slight discrepancies between the numbers in this figure and that of Table 7.4. The numbers in this figure represent data from all available CEO/organizations whereas data in Table 7.4 excluded any CEO/organizational data that did not have corresponding CLT information.



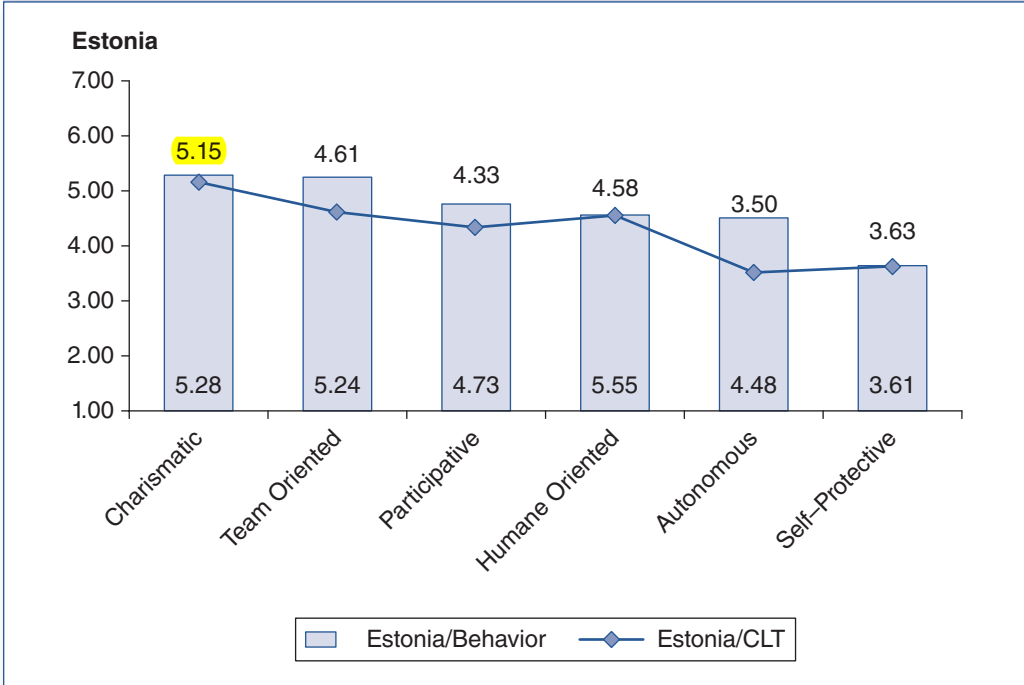
Brazil Culturally Endorsed Implicit Leadership Theory and CEO Behavior



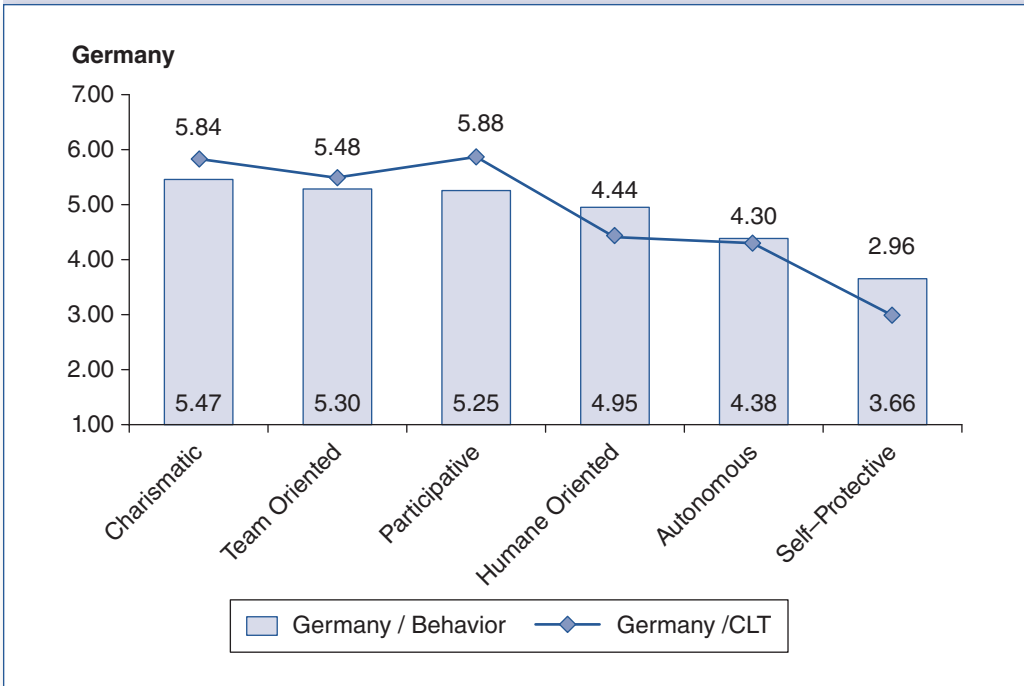
China Culturally Endorsed Implicit Leadership Theory and CEO Behavior



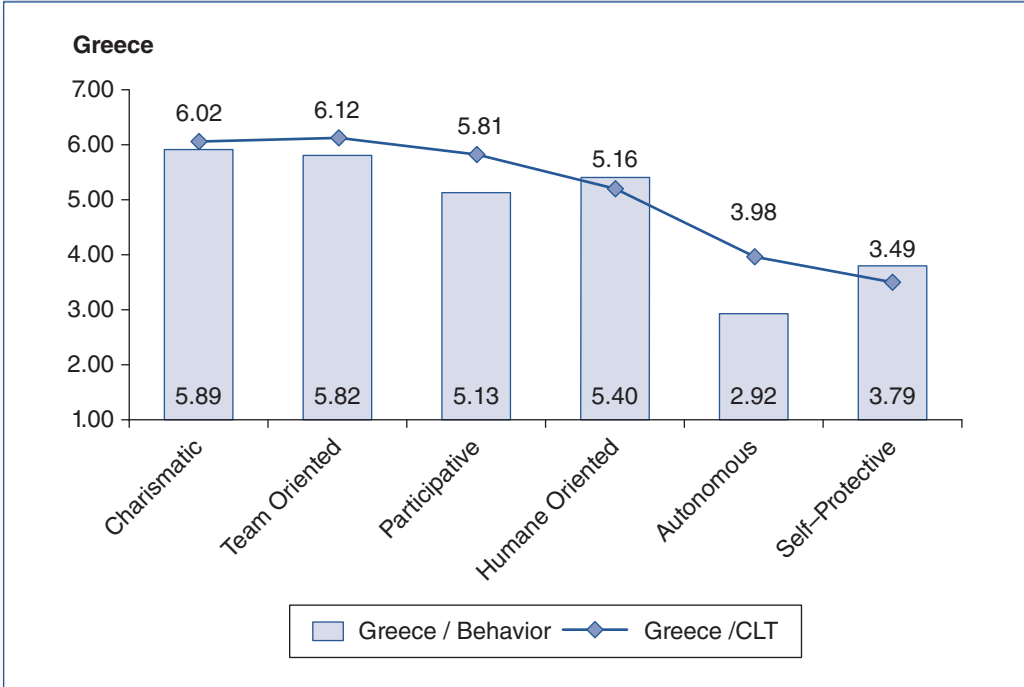
Estonia Culturally Endorsed Implicit Leadership Theory and CEO Behavior



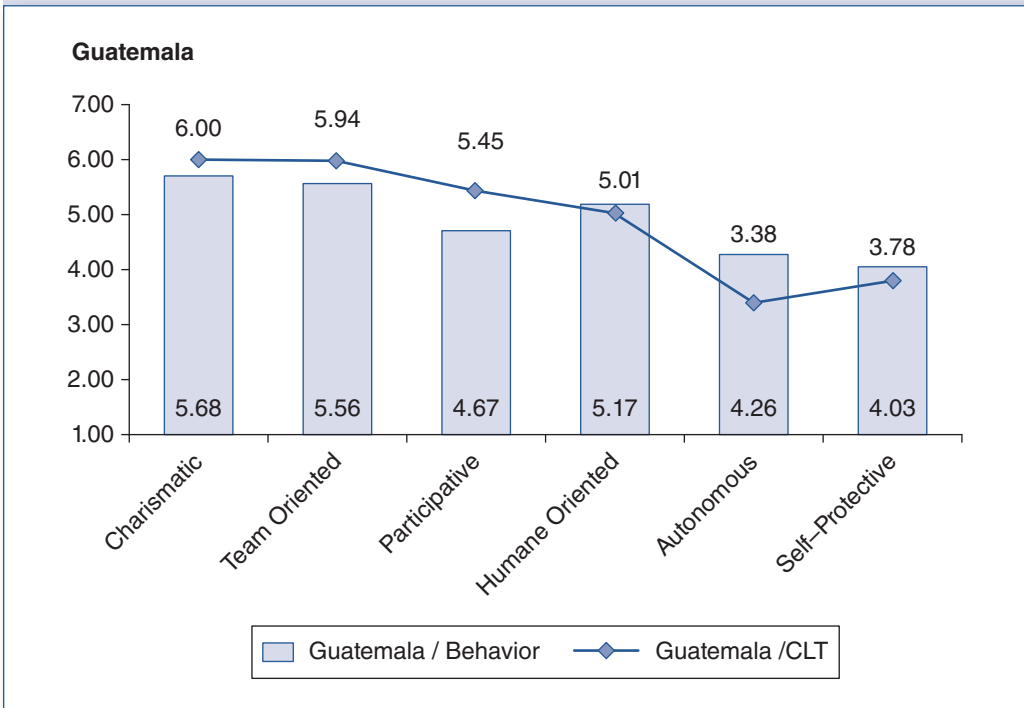
Germany Culturally Endorsed Implicit Leadership Theory and CEO Behavior

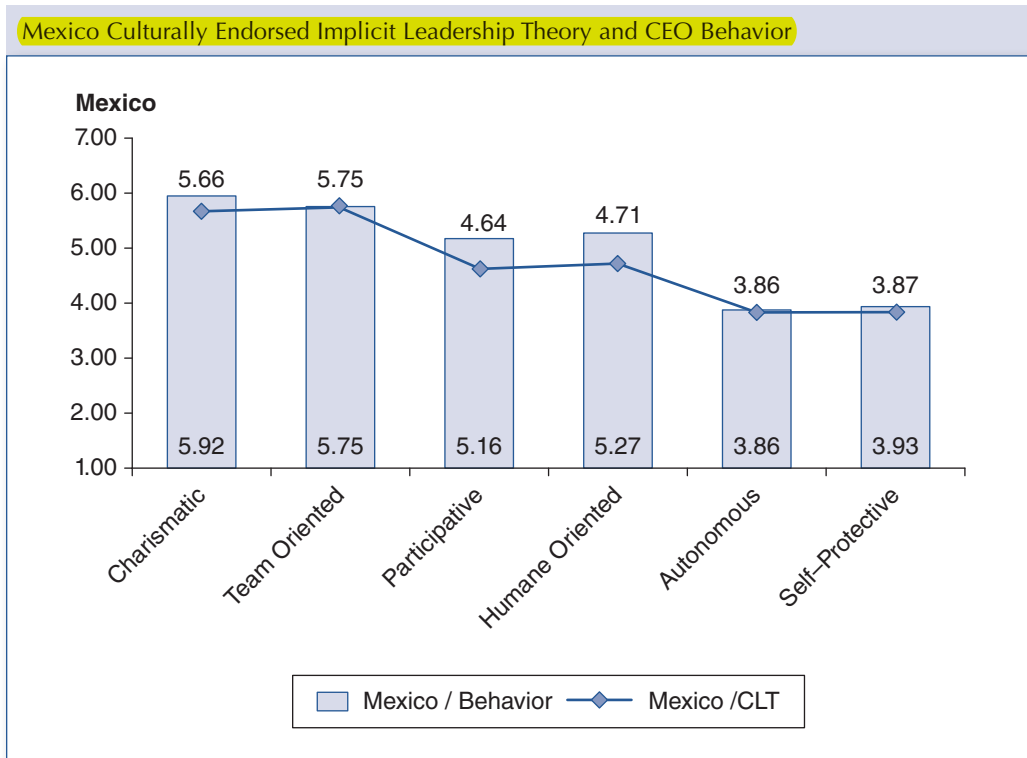
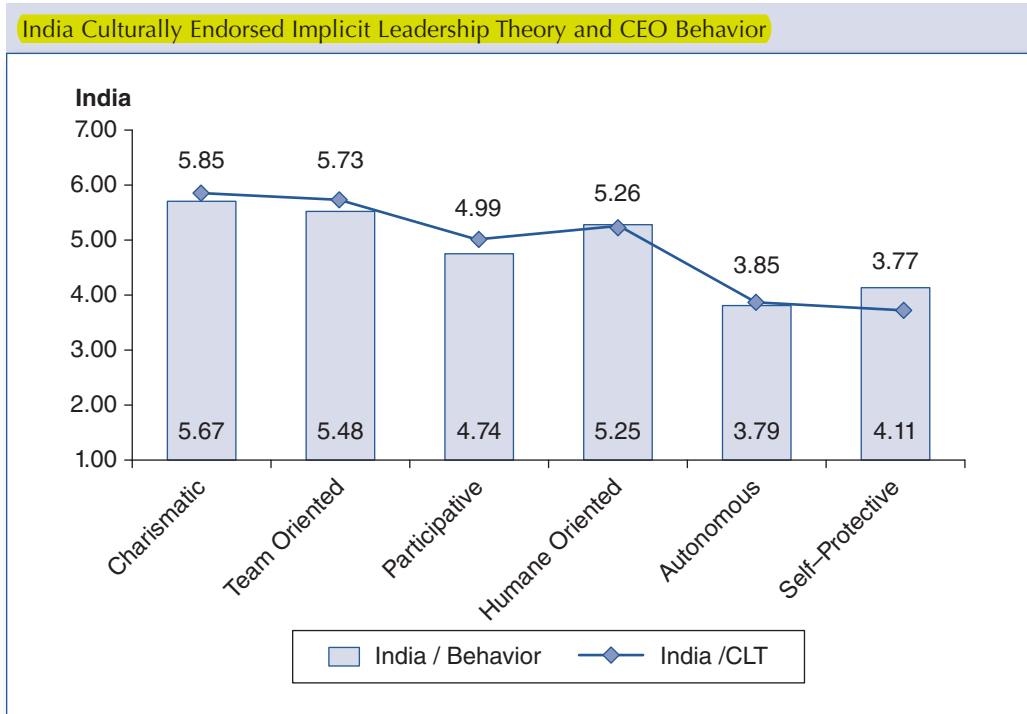


Greece Culturally Endorsed Implicit Leadership Theory and CEO Behavior

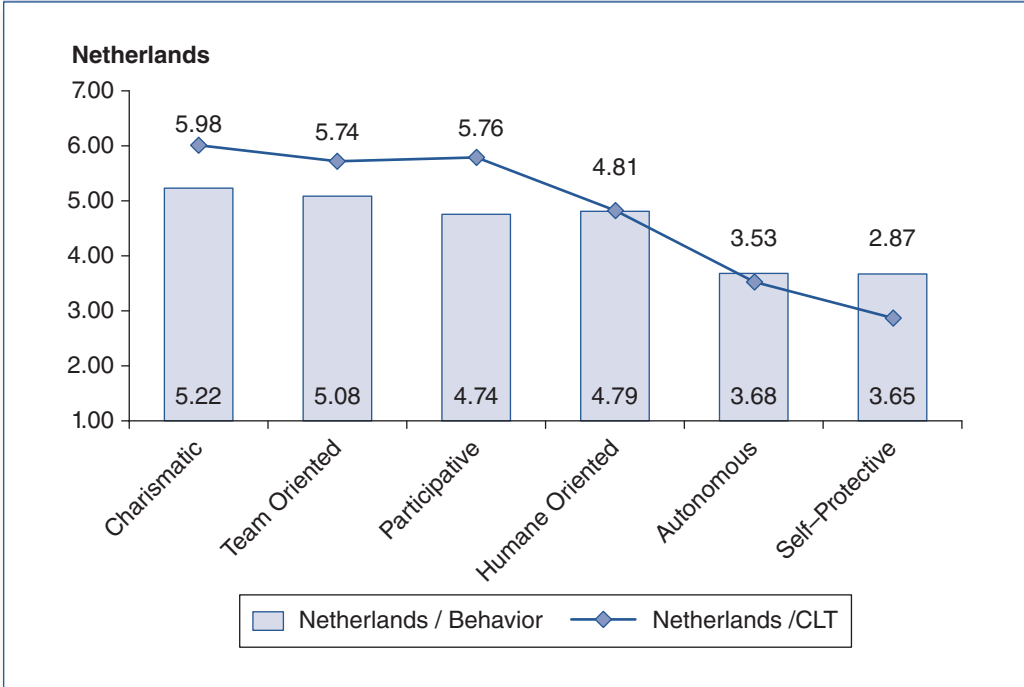


Guatemala Culturally Endorsed Implicit Leadership Theory and CEO Behavior

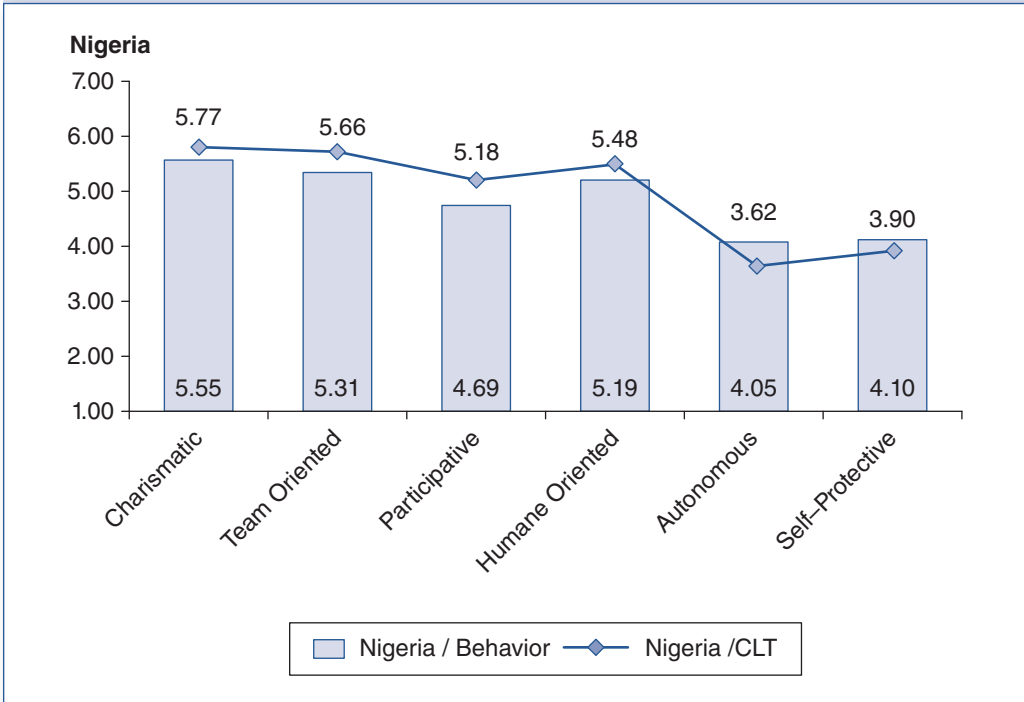


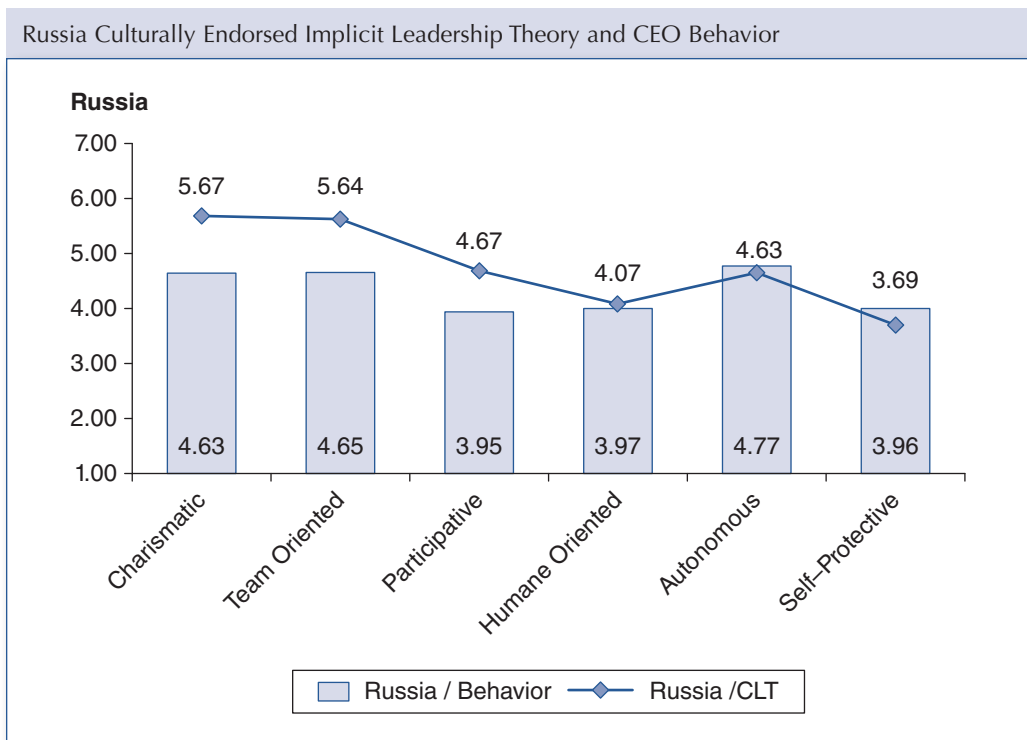
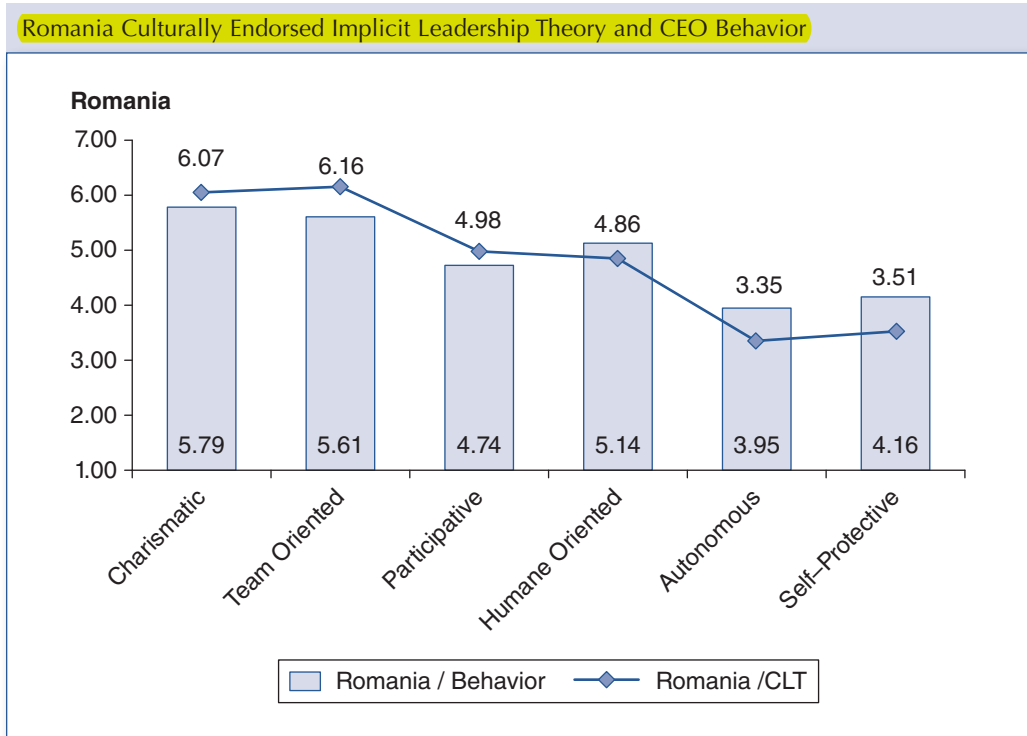


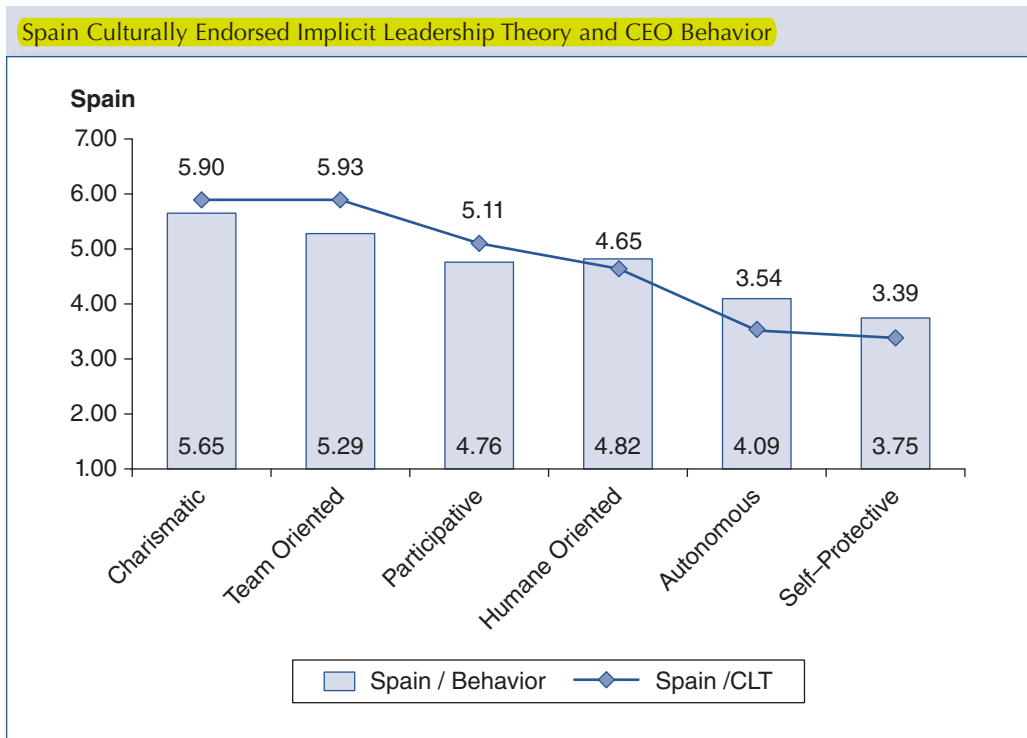
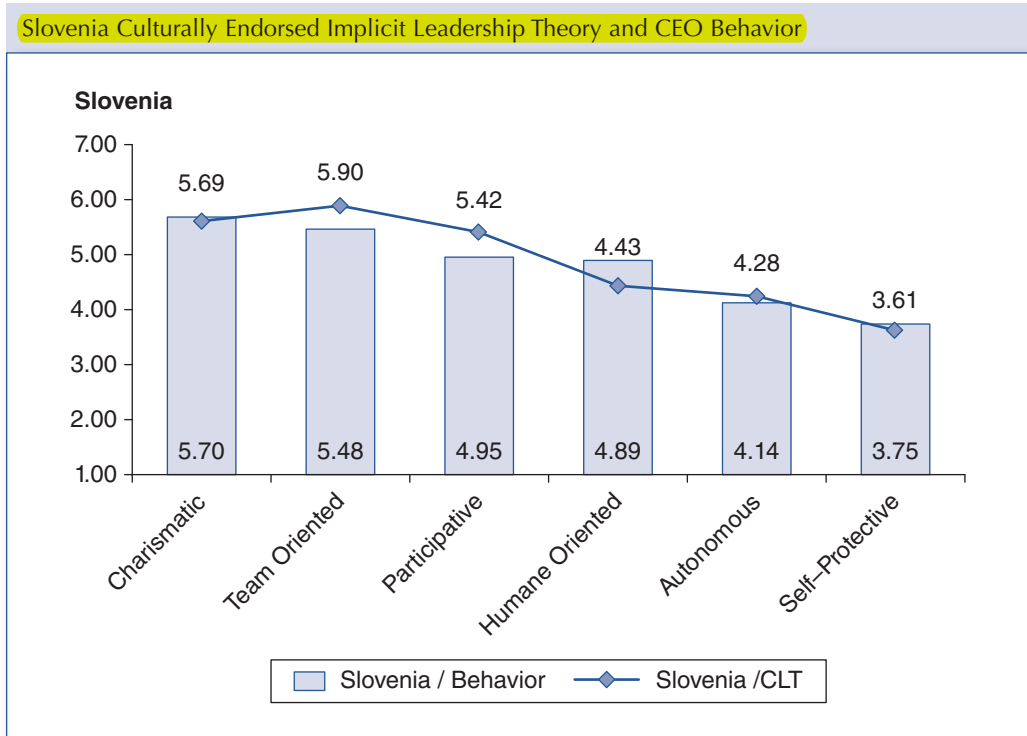
Netherlands Culturally Endorsed Implicit Leadership Theory and CEO Behavior



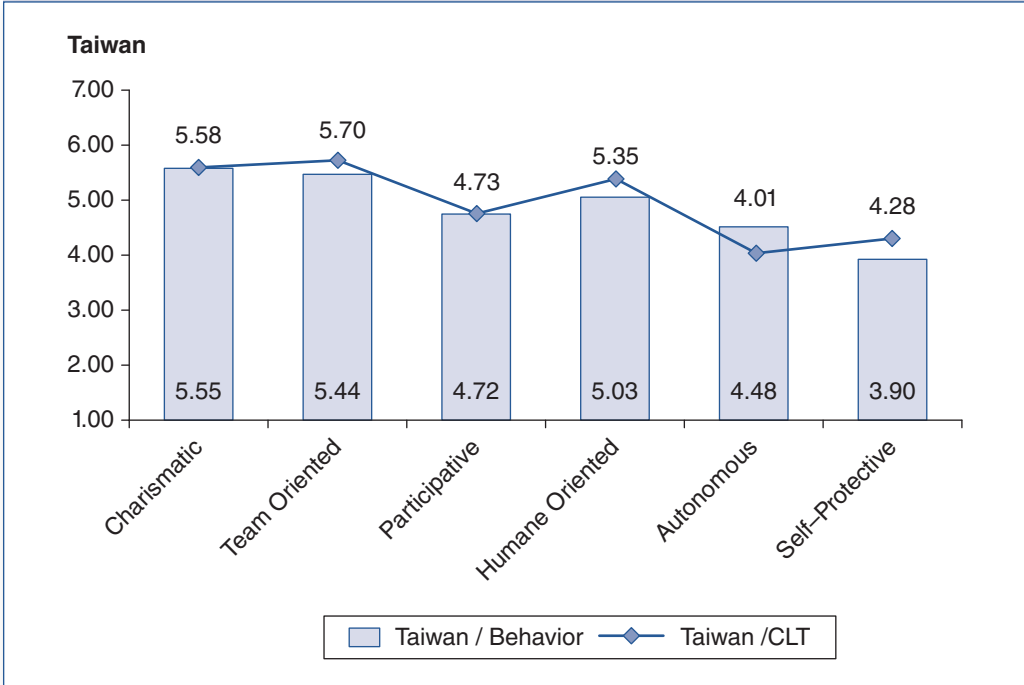
Nigeria Culturally Endorsed Implicit Leadership Theory and CEO Behavior



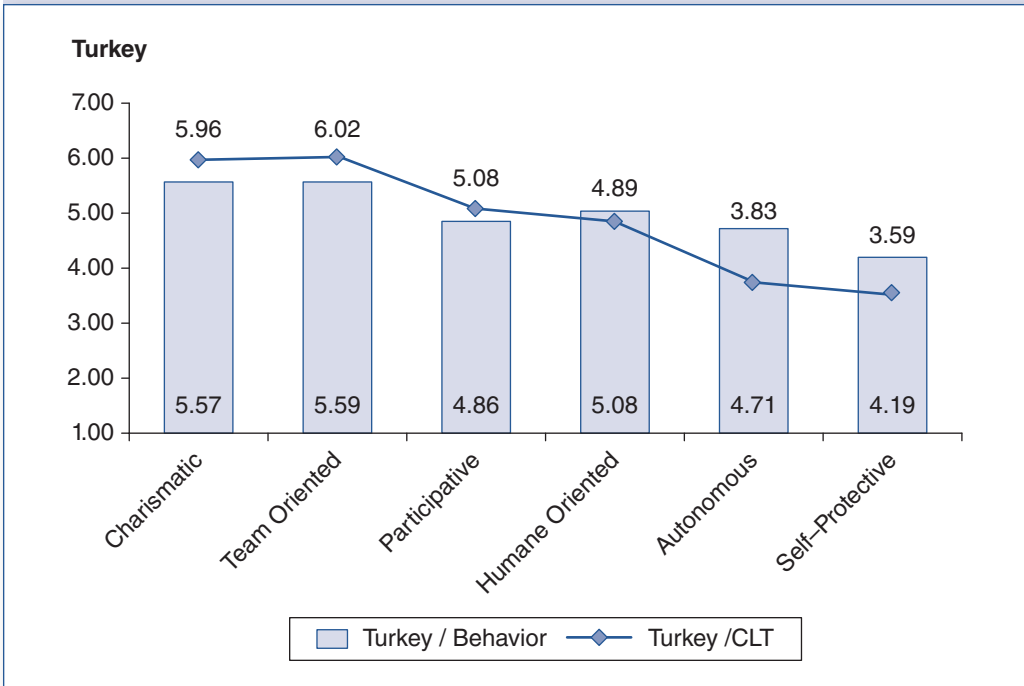


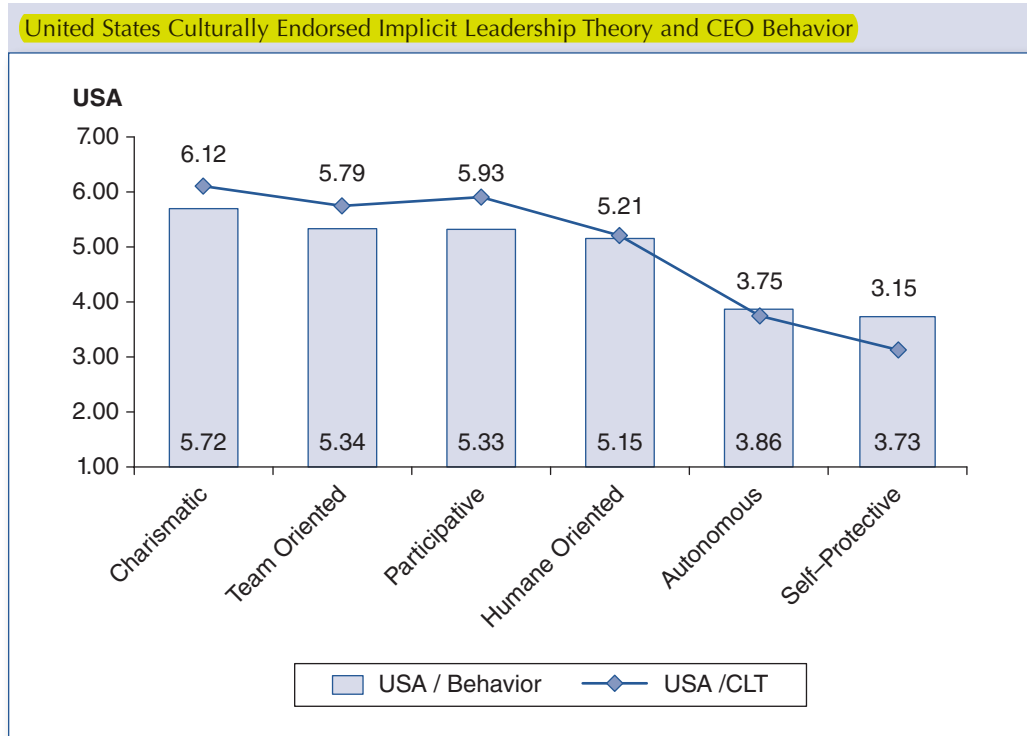


Taiwan Culturally Endorsed Implicit Leadership Theory and CEO Behavior



Turkey Culturally Endorsed Implicit Leadership Theory and CEO Behavior





Appendix 7.2. Culturally Endorsed Implicit Leadership Theory and CEO Leader Behavior on Twenty-One Primary Leadership Dimensions by Country

Primary Leadership Dimension	Country Scores (Combined)		Country											
	Behavior*	CLT**	Azerbaijan		Austria		Brazil		China					
			Behavior	CLT	Behavior	CLT	Behavior	CLT	Behavior	CLT				
Visionary	5.70	5.99	5.12	6.13	5.83	6.13	5.98	6.15	5.54	5.85				
Inspirational	5.62	6.05	4.91	6.34	5.55	6.34	5.80	6.35	5.69	5.92				
Self-Sacrificial	5.21	5.01	4.50	5.03	5.21	5.03	5.35	4.84	5.48	4.70				
Integrity	5.62	6.13	5.14	6.46	5.56	6.46	6.14	6.62	5.41	5.98				
Decisive	5.64	5.75	5.25	5.96	5.52	5.96	6.14	5.70	5.52	5.29				
Performance oriented	5.75	6.03	5.64	6.23	5.79	6.23	5.94	6.36	5.70	5.64				
Collaborative team orientation	5.25	5.51	5.23	5.34	4.78	5.34	5.50	6.09	5.28	5.71				
Team integrator	5.08	5.89	5.05	5.67	4.88	5.67	5.22	6.43	5.12	5.36				
Diplomatic	5.64	5.48	5.07	5.43	5.78	5.43	5.97	5.57	5.51	5.05				
Malevolent	2.35	1.95	3.45	1.54	1.88	1.54	1.86	1.33	2.38	2.04				
Administratively competent	5.52	5.87	5.17	5.80	5.08	5.80	5.41	6.07	5.57	5.88				
Participative	5.21	5.20	4.61	5.89	5.31	5.89	5.54	6.04	5.28	4.76				
Autocratic	3.51	2.63	4.64	1.90	2.85	1.90	3.57	1.93	3.67	2.66				
Modesty	4.92	5.00	4.22	5.05	4.85	5.05	4.75	5.44	5.21	5.03				
Humane orientation	5.08	4.77	4.51	4.80	4.89	4.80	5.12	4.08	5.18	5.40				
Autonomous	4.11	3.79	5.09	4.47	4.44	4.47	2.72	2.27	4.06	4.07				
Self-Centered	2.86	2.16	3.54	1.99	2.54	1.99	2.45	2.12	2.86	2.22				
Status conscious	4.54	4.54	4.53	3.86	4.41	3.86	4.73	5.17	4.46	4.47				
Internally competitive	2.92	4.02	4.20	3.57	3.30	3.57	2.41	3.96	2.65	4.40				
Face-Saver	4.30	3.07	3.33	2.56	3.61	2.56	4.13	2.53	4.42	3.97				
Bureaucratic	5.06	3.96	5.27	3.36	4.39	3.36	5.18	3.85	5.24	3.94				

Note: * N = 24. ** N = 18.

Primary Leadership Dimension	Country											
	Estonia			Fiji			Germany			Greece		
	Behavior	CLT		Behavior	CLT		Behavior	CLT		Behavior	CLT	
Visionary	5.37	5.20		6.25			5.60	5.99		5.96	6.19	
Inspirational	5.37	4.96		6.37			5.65	6.15		5.88	6.25	
Self-Sacrificial	5.01	5.26		5.66			5.01	4.87		5.41	5.42	
Integrity	5.39	5.63		6.22			5.42	6.12		5.95	6.27	
Decisive	5.55	4.11		6.30			5.38	5.78		6.07	6.18	
Performance oriented	5.08	5.96		6.33			5.71	6.11		6.07	5.82	
Collaborative team orientation	4.97	4.42		5.75			4.80	5.05		5.77	5.76	
Team integrator	4.78	5.33		5.32			4.98	5.48		5.34	6.19	
Diplomatic	5.43	4.40		6.06			5.56	5.08		6.12	6.01	
Malevolent	2.20	4.42		1.88			2.04	1.68		1.88	1.55	
Administratively competent	5.23	5.30		6.06			5.14	5.51		5.93	6.18	
Participative	4.78	3.73		6.00			5.25	5.72		5.52	5.75	
Autocratic	3.31	3.05		2.82			2.71	1.95		3.23	2.14	
Modesty	4.81	4.84		5.30			4.97	4.61		5.37	5.28	
Humane orientation	4.35	4.29		5.58			4.93	4.27		5.40	5.02	
Autonomous	4.48	3.50		3.53			4.38	4.30		2.92	3.98	
Self-Centered	2.31	2.68		2.56			2.28	2.10		2.23	2.10	
Status conscious	4.26	5.20		4.58			4.14	3.72		4.52	5.12	
Internally competitive	2.64	2.71		2.36			3.44	3.59		2.77	3.62	
Face-Saver	3.84	3.09		4.76			3.66	2.36		4.45	3.05	
Bureaucratic	4.97	4.50		5.64			4.82	3.00		4.85	3.74	

Primary Leadership Dimension	Country											
	Guatemala			India			Mexico			Netherlands		
	Behavior	CLT		Behavior	CLT		Behavior	CLT		Behavior	CLT	
Visionary	5.84	6.06		5.72	6.02		6.13	5.78		5.27	6.30	
Inspirational	5.66	6.25		5.74	5.93		6.00	5.91		5.24	6.38	
Self-Sacrificial	5.15	5.71		5.57	5.45		5.13	4.80		4.84	4.79	
Integrity	5.90	6.24		5.61	5.99		6.17	5.77		5.32	6.52	
Decisive	5.76	5.77		5.61	5.83		6.04	5.54		5.35	5.87	
Performance oriented	5.74	6.09		5.79	5.96		6.02	6.14		5.34	5.95	
Collaborative team orientation	5.43	5.87		5.49	5.51		5.71	5.54		5.06	5.42	
Team integrator	5.09	6.09		5.14	5.83		5.29	5.85		4.60	6.01	
Diplomatic	5.83	5.23		5.58	5.70		5.85	5.55		5.21	5.43	
Malevolent	2.10	1.59		2.53	2.35		1.95	2.09		2.08	1.62	
Administratively competent	5.62	6.12		5.74	5.98		6.02	5.92		4.63	5.43	
Participative	5.12	5.25		5.23	5.07		5.55	4.62		4.89	5.59	
Autocratic	3.79	2.35		3.76	3.10		3.21	3.35		3.45	2.08	
Modesty	4.97	5.27		5.15	5.33		5.14	4.74		4.58	4.71	
Humane orientation	5.36	4.68		5.33	5.17		5.38	4.72		5.02	4.98	
Autonomous	4.26	3.37		3.79	3.85		3.86	3.86		3.68	3.53	
Self-Centered	2.87	1.87		3.05	2.63		2.39	2.52		2.90	1.75	
Status conscious	4.62	5.17		4.53	4.18		4.64	4.64		4.32	3.93	
Internally competitive	2.70	4.55		2.97	4.24		2.44	4.27		2.93	3.26	
Face-Saver	4.66	3.05		4.75	3.57		4.51	3.34		3.75	2.23	
Bureaucratic	5.26	4.38		5.28	4.10		5.52	4.48		4.44	3.22	

Primary Leadership Dimension	Country											
	Nigeria		Peru		Romania		Russia					
	Behavior	CLT	Behavior	CLT	Behavior	CLT	Behavior	CLT				
Visionary	5.66	5.89	6.14		5.89	6.11	4.69	6.07				
Inspirational	5.75	5.98	5.93		5.82	6.30	4.65	5.93				
Self-Sacrificial	5.27	4.92	5.66		5.36	5.34	3.91	4.28				
Integrity	5.46	6.07	6.09		5.73	6.16	4.51	5.72				
Decisive	5.35	5.75	6.02		6.07	6.18	5.06	5.95				
Performance oriented	5.79	6.00	6.02		5.87	6.33	4.99	5.92				
Collaborative team orientation	5.23	5.60	5.65		5.52	5.86	4.16	5.19				
Team integrator	5.02	5.64	5.46		5.32	6.35	4.54	5.68				
Diplomatic	5.24	5.22	6.22		5.81	5.98	4.86	5.35				
Malevolent	2.70	2.15	1.78		2.53	1.63	3.32	2.02				
Administratively competent	5.72	6.03	6.13		5.95	6.22	4.65	6.01				
Participative	4.97	5.12	5.75		5.12	4.82	4.29	5.18				
Autocratic	3.59	2.75	3.07		3.64	2.86	4.45	3.86				
Modesty	5.10	5.46	4.96		5.04	5.12	3.86	4.25				
Humane orientation	5.27	5.54	5.43		5.22	4.55	4.18	3.91				
Autonomous	4.05	3.62	3.89		3.95	3.35	4.77	4.63				
Self-Centered	3.02	2.35	2.32		3.01	1.63	3.79	2.48				
Status conscious	4.42	4.61	4.69		4.63	4.66	4.54	5.06				
Internally competitive	3.18	4.47	2.30		3.03	4.21	3.28	4.43				
Face-Saver	4.72	3.47	4.48		4.69	2.95	3.82	3.40				
Bureaucratic	5.21	4.53	5.45		5.39	4.19	4.55	3.21				

Primary Leadership Dimension	Country											
	Slovenia			Solomon Islands			Spain			Taiwan		
	Behavior	CLT		Behavior	CLT		Behavior	CLT		Behavior	CLT	
Visionary	5.96	6.00		5.18			5.77	5.91		5.48	5.66	
Inspirational	5.68	5.74		5.26			5.56	6.34		5.70	5.74	
Self-Sacrificial	5.21	4.77		5.01			5.43	4.80		5.48	4.98	
Integrity	5.59	6.08		5.22			5.54	6.11		5.48	5.89	
Decisive	5.81	5.79		5.34			5.81	5.95		5.44	5.60	
Performance oriented	5.96	5.76		5.33			5.80	6.25		5.70	5.67	
Collaborative team orientation	5.35	5.35		5.13			5.12	5.72		5.35	5.66	
Team integrator	5.15	6.11		5.16			4.89	6.26		5.12	5.44	
Diplomatic	5.78	5.85		5.40			5.80	5.73		5.57	5.84	
Malevolent	2.32	1.67		3.45			2.48	1.77		2.40	2.31	
Administratively competent	5.42	5.85		5.23			5.06	5.66		5.55	5.92	
Participative	5.32	5.33		5.21			5.31	4.83		5.42	4.53	
Autocratic	3.41	2.49		4.36			3.79	2.60		4.00	3.07	
Modesty	5.14	4.66		4.60			4.52	4.76		4.81	5.32	
Humane orientation	4.67	4.18		4.84			5.12	4.57		5.24	5.40	
Autonomous	4.14	4.28		4.33			4.09	3.54		4.48	4.01	
Self-Centered	2.58	2.28		3.68			3.04	1.84		2.89	2.50	
Status conscious	4.06	4.33		4.56			4.62	4.23		4.77	4.83	
Internally competitive	2.95	4.15		3.71			2.62	4.24		2.78	5.01	
Face-Saver	4.48	3.04		4.63			4.05	2.48		4.54	4.53	
Bureaucratic	4.78	4.19		5.07			4.45	4.11		4.48	4.52	

Primary Leadership Dimension	Country											
	Tonga		Tonga		United States		Vanuatu					
	Behavior	CLT	Behavior	CLT	Behavior	CLT	Behavior	CLT				
Visionary	5.89		5.75	6.25	5.91	6.28	5.92					
Inspirational	5.63		5.62	6.08	5.72	6.35	5.74					
Self-Sacrificial	5.48		5.08	5.03	5.45	5.16	5.37					
Integrity	5.72		5.76	6.16	5.84	6.51	5.64					
Decisive	5.05		5.59	6.29	5.50	5.96	5.78					
Performance oriented	5.95		5.63	5.91	5.86	6.46	5.83					
Collaborative team orientation	5.09		5.58	5.70	4.83	5.38	5.13					
Team integrator	5.10		5.18	6.28	4.90	6.03	5.25					
Diplomatic	5.82		5.78	5.74	5.54	5.46	5.52					
Malevolent	3.41		2.28	1.76	1.93	1.55	1.68					
Administratively competent	5.90		5.79	6.13	5.39	5.63	6.00					
Participative	5.28		4.95	5.38	5.63	5.90	4.61					
Autocratic	3.88		3.23	3.22	2.94	2.03	2.98					
Modesty	5.29		5.05	4.82	5.06	5.24	5.42					
Humane orientation	5.62		5.11	5.02	5.24	5.19	4.84					
Autonomous	4.78		4.71	3.83	3.86	3.75	4.44					
Self-Centered	3.48		3.71	1.93	2.52	1.97	2.54					
Status conscious	5.00		4.82	4.91	4.25	3.60	4.85					
Internally competitive	3.34		2.80	4.17	2.86	3.53	2.38					
Face-Saver	4.96		4.39	2.99	3.92	2.66	4.68					
Bureaucratic	5.50		5.25	4.02	5.12	3.90	5.31					