El Jefe: Differences in expected leadership behaviors across Latin American countries

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ABSTRACT

Although many cross-cultural leadership studies have been conducted in the past decade, relatively little attention has been paid to leadership in Latin America. Perceptions concerning the characteristics of outstanding leaders and differences in leadership preferences across countries in the region present important issues for organizations. This paper presents a detailed analysis of the leadership findings from the seminal GLOBE Project for this region, plus the addition of the country Peru. Findings indicate that there are region-wide as well as country-specific expected leadership behaviors. Our results help managers identify how different behaviors may be perceived across countries in Latin America.

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1. Introduction

Operating across cultural boundaries has become a global management imperative (Sebenius, 2002). The increased interaction between Latin America and other parts of the world (e.g., Free Trade Agreements between the U.S. and countries like Colombia and Peru; potential European Union and Latin America Free Trade Agreement) calls for more knowledgeable managers who can effectively lead people within a Latin American cultural context. With more of the world's attention focusing on economic development in Latin America, business leaders are charged with effectively managing operations, yet relatively little research centers on what it takes to be an effective leader in this region. Several studies have explored managerial styles within individual Latin American countries, however, these studies often only provide overarching reviews of literature describing the business environment and research opportunities (Davila & Elvira, 2012;

Nicholls-Nixon, Davila Castilla, Sanchez Garcia, & Rivera Pesquera, 2011; Vassolo, De Castro, & Gomez-Mejia, 2011) rather than quantitative analyses of expected leader behaviors across Latin American countries.

Some existing literature highlights cultural differences such as preference for paternalistic relationships (Martinez, 2005); however, there is little quantitative leadership research in Latin America, and even less attention has been paid to the topic of leader attributes (i.e., expected leader behaviors). Within a transformational leadership framework, in the past Bass (1997) stated that the context (e.g., national culture) in which leadership takes place is likely to influence the expectations about leadership behaviors. For instance, the values a charismatic leader invokes to inspire a work group can differ based on culture (Javidan & Carl, 2004); one group may be inspired by metaphors of becoming a family through their involvement in the business, while another group may be inspired by recognition of individual achievements and contributions to team results. Although the leadership skill of developing a vision of the future is required across cultures, the expected behaviors the leader portrays are adjusted based on the local context (Fu, Tsui, Liu, & Li, 2010).

To explore such relationships further, several research studies have investigated the tie between cultural values and leadership attributes (e.g., Brodbeck et al., 2000; Dickson, Den Hartog,

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& Mitchelson, 2003; House, Hanges, Javidan, Dorfman, & Gupta, 2004; Koopman, Den Hartog, & Konrad, 1999; Margaona, 2012). Values and shared schemas emphasized by societal cultures have an effect on value systems that become ingrained in peoples' behavior (Dickson et al., 2003). As described by Dorfman, Hanges, and Brodbeck (2004), both societal values and societal practices influence people's shared beliefs about leaders. Thus, over time, people develop shared schemas, or prototypes, as part of the socialization process that occurs within the society (Lord & Maher, 1991). These shared leadership schemas or prototypes at the societal level are what the Global Leadership and Organizational Behavior Effectiveness Project (GLOBE) researchers refer to as *culturally endorsed implicit leadership theory* (CLT). The GLOBE Project studied implicit leadership attributes and schemas in 62 societies (House et al., 2004) to generate theory concerning the shared beliefs about effective leaders among members of an organization or society (Dorfman et al., 2004). Their research showed that culture serves as a boundary condition for the type of behaviors that leaders are likely to display, as well as which behaviors are likely to be perceived as effective or ineffective/non-acceptable.

Romero (2004) explains that across Latin America some values are shared, while others are specific to each country. Therefore, it is reasonable to contend that not all leadership attributes are perceived as equally valuable among Latin American countries, but rather that some attributes people perceive as effective/ineffective are shared across countries whereas some of those perceptions are likely specific to particular countries. Few studies offer comparative quantitative analyses of expected leader behaviors across Latin American countries (for one exception, see Lenartowicz & Johnson, 2002). Although Project GLOBE reported leader attributes that are universal (positive and negative) and those that are culturally contingent (House et al., 2004), very little has been done to define those attributes that are perceived as effective (or ineffective) in Latin America, specifically depending on the country in the region.

The purpose of this study is twofold. First, we seek to identify expected leadership attributes that are perceived as effective and ineffective across Latin American countries. Second, we seek to identify culturally contingent leadership attributes in this region. In other words, we want to learn which behaviors are perceived as effective in one country, but not others. This information can aid global managers in developing a clearer perspective of leadership attributes that are highly valued in the Latin American region, as well as those attributes that are valued less from one country to another.

1.1. Effective leadership in Latin America

Theorists have often characterized Latin America as homogeneous (Davis, 1969), focusing on the similarities of the region (Olien, 1973). Research on values in Latin America does suggest that there are some commonalities across these countries. Romero (2004) argues that there is a common culture among these countries which is at the core of the Latin American culture. Further, Ogliastri et al. (1999) concluded a notable similarity of values among the ten Latin American countries of the GLOBE study. This common culture reflects centralist traditions regarding government and religion, due to their similar colonial and economic history (Cardoso & Faletto, 1979). This is reflected also in a common legal structure, as most Latin American countries have structures based on Napoleonic Code (Vassolo et al., 2011). Additionally, with the exception of Brazil where they speak Portuguese, most Latin American countries share a common language linked to Spain (Zea, 1963).

Although it is out of the scope of this paper to test causal relationships between cultural values and leadership behaviors, it is likely that shared cultural values influence leadership perceptions across countries in the region. Multiple research studies have grouped national cultures based on attitudes or values and have consistently found that Latin American cultures tend to form a cluster (Hofstede, 1980; Inglehart & Carballo, 2008; Ronen & Shenkar, 1985; Schwartz, 2006), often based on values for personal relationships that show deference for hierarchy. Indeed, research has indicated that autocratic and paternalistic leadership styles are the most common among Latin American countries (Recht & Wilderom, 1998), which may be related to the value given to hierarchical differences in the region.

Latin American leadership has frequently been characterized as favoring an autocratic style (Muczyk & Holt, 2008; Riding, 1985; Romero, 2004). Autocratic leaders are typically seen as tough-minded, who assume full responsibility for decision making and policy for both individuals and groups (Marken, 1999). Extending this definition, Muczyk and Holt (2008) suggest that autocratic leadership "might be more appropriate for societies whose members have a high regard for hierarchy and are reluctant to bypass the chain of command" (p. 282). Preference for autocratic leadership styles has been suggested through studies in Chile (Abarca, Mujluf, & Rodriguez, 1998), Argentina (Majul, 1992), Bolivia (Camacho-Garcia, 1996), and Mexico (Dorfman & Howell, 1997).

Recent research continues to portray the Latin American leader as an authoritarian-benevolent paternalistic figure (Davila & Elvira, 2012; Martinez, 2005). Paternalism refers to making decisions for employees in a parental way that engenders care and loyalty, as well as protecting working relationships (Davila & Elvira, 2012; Pellegrini & Scandura, 2008). In return for protection and job security, employees give loyalty and decision-making authority to leaders. This concept has historical roots in the "hacienda" system where the "patrón" (owner-boss) employed and lorded over the employees and their families (Rodriguez & Rios, 2009). Paternalistic leadership is characterized by "centralizing authority and creating symbiotic relationships of superior-subordinate work that provokes dependability of mutual loyalties" (Davila & Elvira, 2012, p. 2). Although sometimes the concept has evoked pejorative connotations (Colella, Garcia, Reidel, & Triana, 2005), effectiveness in business contexts of paternalistic leadership has been found beyond the typical regions (i.e., Latin America, Middle East, and Asia Pacific) linked with this leader model (Pellegrini & Scandura, 2008). Based on two case studies conducted in the banking industry in Chile, Rodriguez and Rios (2009) showed that the paternalistic leadership approach was effective, providing that the organizations implemented proper performance management systems. In a study of the best medium-sized employer of Latin America, Leguizamón, Ickis, and Ogliastri (2008) argued that among the key reasons for the success of the outstanding companies was the unique leadership style of *paternalism*, which merges an interest in personal growth and autonomy with the more conventional aspects of benevolent paternalism. Hence, paternalism appears an effective leadership attribute in Latin America.

Consistent with paternalism, research has shown that good working relationships with low conflict are valued in Latin American countries (Osland, Franco, & Osland, 1999). Workers may develop social bonds with their supervisors out of necessity to nurture work relationships and serve as employment protection (Davila & Elvira, 2005), as institutions and labor laws are often inadequate (Bensusan, 2006). Indeed, the importance of social relationships throughout Latin America has been highlighted by many scholars on the region (Albert, 1996; Amado & Brasil, 1991; Martínez & Dorfman, 1998; Recht & Wilderom, 1998). This may be illustrated also through the importance of family background as one determinant of social respect (Trompenaars & Hampden-Turner, 1998) and source of protection when there is limited access