Power Distance

Leadership is found as an important function in human groups all over the world. Everywhere, the leadership role is associated with power and status. Most cultures have symbols that convey power and status. For example, in some cultures leaders may be recognizable by objects or clothing they alone are allowed to carry or wear by virtue of their position. Such symbols are also found in the business world. Examples from that sphere are company cars, job titles, or office location and size.

Status and power differentials are found everywhere, although they are more visible or stronger in some cultures than in others. Geert Hofstede, a cofounder of the Institute for Research on Intercultural Cooperation, refers to culture as the collective programming of the mind. Power distance is one of the four dimensions of cultural variability that Hofstede discussed in his well-known 1980 study of IBM employees in forty countries. The other dimensions he discussed were individualism-collectivism, masculinity-femininity, and uncertainty avoidance. In later research a fifth dimension emerged, labeled Confucian dynamism (or a long versus short term orientation). This entry focuses on the impact of power distance on leadership.

Hofstede defines power distance as the extent to which a society accepts the fact that power in institutions and organizations is distributed unequally. Research has shown that power distance has a strong impact on organizational as well as personal functioning. For example, in a 1998 study, the researchers Randall Schuler and Nikolai Rogovsky found that the greater the power distance in society (that is, the more acceptance there is for unequal distribution of power in society), the less likely that companies in that society will have employee stock ownership plans. In the same year, the researcher Chet Robie and his colleagues reported that the relationship between job satisfaction and job level was weaker in low power distance cultures than in high power distance cultures.

Hofstede is not the only one to have studied power differentials as an important element of culture. All societies must find ways of eliciting responsible behavior from their members, but there are many different ways of doing so. Hierarchical cultures emphasize the chain of authority and rely on hierarchically structured roles. An unequal distribution of power and status is legitimate and expected. Employees are expected to comply with management’s directives without questioning them. In contrast, egalitarian cultures encourage people to view each other as moral equals. Leaders motivate employees in a more participative manner and appeal to them to act on behalf of all. Employees typically have input into decisions and share in goal-setting activities.

In cultures with large differences in power between individuals, organizations will typically have more layers and the chain of command is felt to be more important. There is clearly a connection between power distance and leadership. For example, compared with their counterparts in low power distance countries, subordinates in high power distance countries are typically more reluctant to challenge their supervisors and more fearful of expressing disagreement with their managers. Not only are people in high power distance countries less likely to provide negative feedback to superiors spontaneously, the very idea that subordinates would be allowed to provide feedback is more likely to be rejected in high power distance countries, because such upward feedback may be perceived as threatening status positions.

Thus, power distance has an impact on subordinates’ expectations and preferences (people want and expect
more guidance in societies with more power distance) as well as on acceptable or typical patterns of leader behavior (autocratic leadership is more acceptable and effective in high power distance societies).

BEING SEEN AS A LEADER: THE GLOBE STUDY

To be successful in a leadership role, leaders need to show characteristics or behave in ways that others equate with leadership. The vastly different types of leaders one can find in the media worldwide illustrate that people from different cultures associate different characteristics and behaviors with the leadership role. Power distance is one of the factors shaping cultural perceptions of effective leadership. For instance, some cultures expect their leaders to be bold, directive, and decisive heroes, whereas elsewhere a good leader may be someone who is calm, involves others in decision making, and seeks consensus before acting.

The GLOBE (Global Leadership and Organizational Behavior Effectiveness) Project is one of the largest studies of leadership and culture carried out to date. The project involves researchers from some sixty countries working together to collect different kinds of data on leadership and culture. A large portion of the study involves a survey among middle managers in three different industries. In total, more than sixteen thousand managers in more than sixty countries have participated in the survey.

One of the results of the GLOBE study was a report that lists which leadership attributes are universally endorsed as contributing to outstanding leadership, which are universally seen as undesirable, and which are culturally contingent. In all participating countries, an outstanding leader is expected to be encouraging, motivational, dynamic, and to have foresight. Universally, a leader is also expected to be oriented toward excellence, decisive, trustworthy, and intelligent. Several other attributes were universally viewed as impediments to outstanding leadership—for example, being noncooperative, ruthless, and dictatorial. The term autocratic leadership is often used to refer to leaders who do not allow subordinates to have any say in decision making. Dictatorial leadership can go even further, and depicts a situation in which leaders become feared tyrants. Although neither of these is seen as positive, the latter universally has the most negative connotations.

The importance of other attributes was found to vary across cultures. For example, being autonomous, unique, and independent were found to contribute to outstanding leadership in some cultures, but to be undesirable in others. People within a given culture tend to agree that a particular characteristic is desirable or undesirable, but vast differences exist between cultures. Culturally contingent attributes that contributed to outstanding leadership in some cultures while being seen as detrimental in others included being enthusiastic, subdued, indirect, intuitive, and compassionate.

Several of the culturally contingent attributes varied in accordance with whether there was a cultural preferences for high power distance or egalitarianism. For example, in high power distance cultures, people tend to react more favorably to leaders who were status conscious, class conscious, elitist, and domineering, whereas in low power distance cultures people tend to react negatively to leaders with those traits.

The GLOBE study combined leadership items into several dimensions of leadership characteristics, one of which was participative leadership—that is, leadership that is not autocratic and allows participation in decision making. Of the leadership dimensions, participative leadership is most directly related to power distance. The GLOBE study found that endorsement of participative leadership varied in different parts of the worlds, with regional clusters of cultures reacting similarly. For example, the Anglo cluster (which includes the United Kingdom, the United States, Canada, and Australia), the Nordic cluster (which comprises the Scandinavian countries), and the Germanic cluster (which includes Germany, Austria, Switzerland and the Netherlands) all were particularly attuned to participative leadership. By contrast, the Middle Eastern, Eastern European, Confucian Asian, and Southern Asian clusters did not endorse participative leadership as strongly.
LEADER BEHAVIOR: AUTHORITARIAN LEADERSHIP

Authoritarian leaders and autocratic decisionmaking procedures are likely to be more accepted and expected in high power distance cultures. For example, research showed that Dutch managers had a more negative attitude toward autocratic leader behavior and status consciousness than did Polish managers, which is probably related to the much more egalitarian values found in the Netherlands.

According to Hofstede, subordinates in high power distance countries see their managers primarily as well-meaning autocrats, whereas subordinates in low power distance countries prefer to see them primarily as resourceful democrats. In low power distance cultures, employees expect more say in decisions affecting their work. Hofstede describes some studies that compared the role of managers in France (which has a high power distance culture) and Denmark (which has a low power distance culture). The French respondents felt that their supervisor always had to be consulted simply because he or she was the boss, whereas the Danish indicated supervisors had to be consulted only when they were likely to know the answer to the problem. In France, managers were highly respected by virtue of their position, whereas in Denmark respect was much less dependent on position. Danish firms were also characterized by more delegation of authority and fewer layers of authority.

Other research highlighting the role of power distance focuses on employees' willingness to accept supervisory direction and their emphasis on gaining support from those in positions of authority. A 2001 study conducted by the researchers Nailin Bu and colleagues compared these characteristics among Chinese, Taiwanese, and U.S. employees by examining their responses to several vignettes. Overall, the Chinese employees in their sample demonstrated the strongest tendency to accept direction and the U.S. employees the least. Peer consensus had more influence on the tendency to accept in the United States than in Taiwan or mainland China. Also, Chinese employees were more sensitive to the consistency between the supervisory direction and company policies, and were less responsive to their own assessment of the merit of the directions they were given. The differences again seem to reflect differences in power distance. A 1995 study conducted by Scott Shane and colleagues focused on innovation in different countries. Their study showed that support from superiors is more important in high power distance countries than in low power distance countries. The greater the power distance in a society, the more people focused on gaining the support of those in authority before taking other action on an innovation. In societies with less power distance, the focus is on building a broad base of support for new ideas among organization members rather than on gaining support from above.

How managers handle day-to-day matters is also influenced by power distance in society. The social psychologist Peter B. Smith has headed several studies that examined managerial styles; those studies show that formal rules and procedures set by the top managers are more important in high power distance cultures. The studies also indicate that managers in high power distance cultures rely less on subordinates and their own experience in dealing with everyday events than do managers from low power distance countries. The results suggest that in high power distance countries a more strict hierarchy is found in which employees and managers alike are more likely to follow directives, rules, and policies set by higher levels.

PARTICIPATIVE LEADERSHIP

Participative leadership is typically found in low power distance countries. A 1997 study by Peter Dorfman and his colleagues compared leader behavior in the United States, Mexico, Japan, Taiwan, and South Korea. They found that leader supportiveness, contingent reward leadership, and charismatic leadership were consistently endorsed in all five cultures, whereas participative leadership, directive leadership, and contingent punishment behaviors were culturally contingent, in different ways. Contingent punishment had positive effects in the United States but undesirable effects in the other countries. Directive leadership behaviors had positive effects in terms of increased satisfaction and commitment in Taiwan and Mexico, while participative leadership behaviors had similar positive effects in the United States and South Korea. The differences they
found reflect relative differences in power distance between these countries, as the countries involved in this study—Mexico and Taiwan—are cultures relatively high on power distance and the United States and South Korea are cultures relatively low on power distance. In Mexico (high power distance) and the United States (high power distance), the researchers were also able to collect job performance data. In the United States, only participative leadership (and not the other five measured leader behaviors) had a direct and positive relationship with performance. In contrast, in Mexico, only directive and supportive leadership were directly and positively related to performance.

**PATERNALISTIC LEADERSHIP**

In the study by Dorfman and colleagues described above, the combination of directive and supportive leadership was found to be highly effective, especially in many developing nations. Cultures of developing countries tend to be somewhat higher on power distance. In many developing countries, an effective leadership style is highly status oriented, requires a high level of involvement in subordinates' non-work lives, and is highly directive. Such a style is often called paternalistic.

When leadership is paternalistic, the superior assumes the role of the benevolent father who provides for subordinates, guides them, and protects their interests. In return, they comply with the superior's wishes and show high levels of loyalty. The guiding role of the leader can go beyond the work sphere and include issues that are not work related; for example, a paternalistic leader typically shows a strong concern for the well-being not only of the subordinate but also of the subordinate's family. Paternalistic behaviors may include attending the weddings or funerals of subordinates or their family members, providing financial assistance (donations or loans) to employees for expenses such as housing, health care, and children's education, and acting as mediator in interpersonal conflicts among employees. In return, employees display high levels of loyalty and deference and a willingness to perform personal favors for superiors. If a paternalistic leader is perceived to treat some workers better than others, rivalry and jealousy may develop among subordinates.

**EGALITARIANISM AND TRANSFORMATIONAL LEADERSHIP**

Transformational leadership has received increased attention in the last decades of the twentieth century and into the twenty-first. Transformational leadership entails inspiring others to transcend their own self-interest for the sake of the collective. This is done through articulating an attractive, exciting, and shared vision and inspiring trust and faith that the vision can be reached through collective effort. Followers become highly committed to the goal and perform beyond expectations. Transformational leadership also entails developing followers to their full potential and challenging them to take risks and view problems in new ways.

A preference for transformational leadership is found in many different cultures and has positive effects in most cultures. However, transformational leadership is enacted in different ways. For example, the psychologist Bernard Bass states that “Indonesian inspirational leaders need to persuade their followers about the leaders' own competence, a behavior that would appear unseemly in Japan” (Bass 1997, 132).

Power distance is one factor that determines culturally appropriate enactment of transformational leadership. In the Netherlands (a low power distance culture), for instance, transformational leaders tend to encourage participation in decision making. The same has also been found in Australia, another egalitarian country. Thus, in highly egalitarian societies transformational leaders may need to be more participative to be effective. In contrast, in high power distance societies, transformational leadership is likely to take a more directive form.

—Deanne N. Den Hartog

**Further Reading**


Bass, B. M. *Does the transactional-transformational leadership paradigm transcend organizational and national boundaries?* *American Psychologist* vol. 52 no. (2)(1997) pp. 130–139


**Entry Citation:**

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