8-1-2002

Leadership and Teamwork in Developing Countries: Challenges and Opportunities

Zeynep Aycan
Koc University, Istanbul, Turkey, zaycan@ku.edu.tr

Leadership and Teamwork in Developing Countries: Challenges and Opportunities

Abstract

Leadership and teamwork are the key factors contributing to organizational effectiveness if their attributes fit to the socio-cultural context. In this reading, the leadership and teamwork process are described in Developing countries (DCs). Developing countries, which comprise of 80 % of the world's population, are diverse in many ways. However, there are some common socio-economic, institutional, and political characteristics as well as shared cultural attributes. The first section addresses the difficulty of finding a definition of developing countries and lays out some common features. Next comes the presentation of six key socio-cultural characteristics that have implications for leadership and teamwork. The following two sections describe challenges and opportunities in leading and teaming in DCs.

Introduction

The organizational behavior literature is full of studies showing that leadership and teamwork is key to organizational effectiveness. However, a particular leadership style or teamwork process that is effective in one cultural context may not be effective in another. Alas, the majority of theories and practices in organizational behavior are based on the North American model of interpersonal relationships in organizations, they may not apply to realities of the '*majority world*' (Kagitcibasi, 1996), that is developing countries which comprise of 80 % of the world's population. In this reading, I will discuss leadership and teamwork in developing country context with specific emphasis on some unique approaches to managing people that derive from similar socio-cultural, historical, economic, and political characteristics in these countries.

'Developing Countries': A Definition and Common Characteristics

Defining developing countries is a challenging task, not the least because the term 'developing' is both pejorative and ambiguous. There is no country in the world that is *not* developing. As such, 'development', because it is a matter of degree, is always 'relative'. Also, the term does not and should not have any reference to cultural or social 'inferiority'. According to the United Nations, the term 'development' mainly denotes economic advancement. The two major distinctions between 'developing' and 'developed' countries are that the Developed World countries, on average, have a higher per capita income than the Developing World and that they rank higher on the United Nations' Human Development Index (including indices of good education, health care, and quality of life). One would come across other terms to describe these countries, such as Under-Developed Countries, Least Developed Countries (LDCs), Third World Countries, Transitional Economies, Newly Industrialized Countries (NICs), or Emerging Markets.

Developing world encompasses a large and diverse group of countries. Clearly, it is difficult to describe shared characteristics among such a heterogeneous group. The Developing World includes very small island states (for example, the Caribbean and Pacific islands) and extremely large sub-continents (China and India), it includes a variety of political forms (Communist States, Kingdoms of various kinds, and Democracies), and all ethnic groups, races, and religions are represented in this world (Punnett, in press). However, there are some common characteristics to talk about. Compared to developed countries, many developing countries have limited resources (technological, physical, and qualified human resource), inadequate infrastructure, economic and political instability, limited access to social services such as good education and health care, high population growth, young workforce, low literacy and numeracy rates, and more strict gender roles (cf., Kanungo & Jaeger, 1990). The next section will take a closer look at the 'cultural' context as it relates to leadership and teamwork.

The Socio-Cultural Context

Culture consists of prevailing and shared values, norms, assumptions, belief systems, and behavioral patterns in a society or a cultural group. Economic and political environment as well as historical events shape culture. Similar cultural characteristics that are observed within the group of developing countries could be attributed to their similar historical background (e.g., autocratic ruling, colonialism, etc.), subsistence system (e.g., reliance on agriculture), political environment (e.g., volatility and instability, improper law and enforcement system), economic conditions (e.g., resource scarcity, insufficient technological infrastructure), and demographic makeup (e.g., young workforce, unequal opportunity to access high quality education).

What follows is a brief summary of research on cultural characteristics of developing countries. There are at least two caveats that should be underlined in interpreting the findings. First, there may be significant cultural differences among developing countries. Second, there are individual (e.g., based on the education, socio-economic status, or age), sub-cultural (e.g., regional, ethnic), and organizational differences (e.g., multinational subsidiaries, family-owned firms, etc.) within each country.

Relationship Orientation

One of the most salient cultural characteristics in developing countries is the importance of relationships and networking. Interdependence in a trusting relationship serves a critical function in reducing uncertainties and maximizing the benefits when resources are scarce. Harmony within the group is preserved at all cost. Relationships and networks supersede rules and procedures in every aspect of social, political and economic life. The 'universalistic' rules are known but not applied for everyone under every circumstance. Those who are close to the 'person-who-matters' (i.e., the in-group members) usually get the organizational benefits, while others (i.e., the out-group members) may feel alienated. Family and relatives are natural in-group members. In-group membership is also extended to those from the same ethnic, religious or caste group, as well as close friends. Getting in and also getting out of the in-group is difficult. Loyalty, as the glue to keep the in-group intact, is the second most important determinant of membership status; acceptance to and dismissal from the in-group depend on the level of loyalty.

Family Orientation

Family is important in every society. However, in developing countries, family - both nuclear and extended - has the priority in people's lives. Work and family lives are closely interrelated. Work is perceived as a duty done in service of the family. Achievement at work is valued as a means of satisfying family needs and increasing family's status in society. Family atmosphere is also created in organizational context. First, organizations are expected to take care of workers as well as their families. Some organizations institutionalize practices such as offering health and educational services to employees' spouse and children, contributing to their housing and heating, and providing them with

financial assistance when needed. Moreover, employees feel entitled to absent themselves from work for family-related reasons. Work always comes next to family, and there is nothing more natural than this. Second, the subordinate-superior relationship resembles that between a parent and a child. Superiors treat their employees like their children, and this is a very common practice that is referred to as 'paternalism' (this will be describe in more detail in the leadership section).

Performance Orientation

Developing country members do not attach a high value to job performance as much as they do to good interpersonal relationships. The criteria used for selection and performance evaluation emphasize harmony in interpersonal relations as well as loyalty and compliance towards superiors. Because contracts are psychological rather than transactional, meeting contractual obligations does not fully represent 'good performance'. Getting ahead is not as important as getting along with the members of the group. In fact, those who get ahead and 'stand out' in their group may inculcate jealousy and disturb group harmony. On the other hand, low performers may be tolerated and protected on the basis of compassion. Intention to do well is as important as achievement of the work goals (see, Kabasakal & Dastmalchian, 2001 for more detail).

Control Orientation

Partly due to instability and unpredictability in social, political and economic life, and partly collective responsibility sharing and paternalism in cultural life, individuals have low sense of control and low self-efficacy. Feelings of 'helplessness' and fatalism are common cultural traits. People who have low self-efficacy have a tendency to attribute causes to external reasons. Sometimes this is used as a way to get rid of responsibility for making long-term plans, meeting deadlines and setting goals. Because interdependence is fostered as a cultural value, self-reliance may have a negative connotation as it is deserting the group. Due to low self-efficacy belief, individuals refrain from being proactive and taking initiative, which may increase risks and uncertainty in the environment. The status quo is not challenged and mediocrity is readily accepted as 'destiny'.

Communication Pattern

The pattern of communication in organizations is indirect, non-assertive, non-confrontational, and usually downwards. This is problematic in performance evaluations where superiors, subordinates and peers avoid giving negative feedback to one another. Negative feedback is viewed as a 'destructive criticism' rather than a constructive remark for further improvement. Because personal and work lives are intertwined, negative feedback is also misconstrued as an attack to the person. Self-presentation, which is the way in which a person is perceived by others, is extremely important. Negative feedback has the potential to tarnish one's reputation and honor in the eyes of others. It also implies losing face to the employer and the supervisor to whom the person feels indebted and

loyal. In a highly personalized work relationship, negative feedback is considered as harmful to group integrity and harmony. Usually, negative feedback is given in an indirect and subtle manner with the involvement of a third party. Subordinates do not want to give performance feedback to their superiors. There is strong preference for face-to-face communication in business dealings. Also, the context determines the way in which information is coded and understood. As such, there is much room for subjective interpretation of the 'intent' and the 'content' of the message.

Authority Orientation

Respect, loyalty and deference towards the superiors are among the most important cultural characteristics in developing countries. People respect 'authority' rather than 'rules'. Obedience to authority is a prescribed norm in some religions and belief systems like Islam and Confucian ideology. Authority is rarely challenged and questioned. The person holding the power and authority is trusted for his/her knowledge, expertise and achievements. S/he is entitled to have certain privileges that others don't have. There are some paradoxical dualities exist in the superior-subordinate relationship. First, there is high respect but also high affection towards the superior. As such, there is an element of both love and fear in this relationship. Second, being an in-group member, the superior is considered as 'one of us', but being a person with higher status, s/he is 'unlike us'. Third, superiors have close relationships with the subordinates and are involved in all aspects of their lives, but this does not translate to an informal 'friendship' relationship. Instead, the subordinate-superior relationship is formal and distant.

Leadership

Relationship Orientation in Leadership

One of the most striking characteristics of leaders in developing countries is that they place great importance in establishing close interpersonal relationships with subordinates as well as people in higher authority. Subordinates expect personalized relationships, protection, close guidance and supervision. Leaders assume responsibility for the followers and in return, they seek loyalty. The interaction between leaders and followers resemble parent-child relationship in developing countries. This prevalent leadership style is referred to as 'paternalism'.

The paternalistic relationship is hierarchical, the superior assumes the role of a 'father' who protects and provides for the subordinate, whereas the subordinate *voluntarily* renders to the superior, and shows loyalty and deference. The leader is assumed to 'know better' for the subordinates. As such, he guides the subordinate in every aspect of his/her life. The paternalistic leader gives advice (often times unsolicited) and guides employees in personal, professional (e.g., make career planning on their behalf), and family-related matters (e.g., do marriage counseling, resolve disputes between husband and wives, etc.); shows concern for the well-being of the subordinate *as well as* his/her family; attends

congratulatory (e.g., weddings) and condolence (e.g., funerals) ceremonies of employees as well as their immediate family members; when in need, provides financial assistance to employees (in form of donations or sometimes as loans) in, for example, housing, health-care, and educational expenses of their children; allows them to attend personal or family-related problems by letting them leave early or take a day off; acts as a mediator in interpersonal conflicts among employees, and even talks to the disputed party on behalf of the other (without his knowledge or consent) to resolve the conflict.

Employee loyalty and deference is manifested in various forms such as engaging in extra-role behavior or working overtime (unpaid) upon the request of the supervisor; not quitting the job (even if one receives a much better job offer) because of loyalty; following the paternalistic superior to another organization if s/he quits the company; not questioning nor disagreeing with the superior in decisions regarding the company or the employee (e.g., performance evaluations, career-planning, etc.); doing personal favors for the superior when needed (e.g., helping him during the construction of his house); putting extra effort in the job and working hard, so not to lose face to the superior.

The importance of relations goes beyond organizational boundaries. Leaders are also expected to establish good interpersonal relations with people in higher authority in government, supporting institutions, and negotiation parties. In order to protect the institution and draw political, technical and financial support, leaders invest a substantial amount of time and effort to networking. As such, networking and diplomacy are among the common characteristics of effective leaders in developing countries.

Power Orientation in Leadership

Another salient leadership characteristic in developing countries is leader's desire to exercise power. The duality that is difficult to comprehend is that leaders wish to maintain good interpersonal relations with the subordinates on the one hand, and act in an authoritative way on the other. In the context of 'benevolent paternalism', the power is exercised for the benefit of the employee (just like in the family: the father is authoritarian and disciplinarian for the *benefit* of his children).

However, it is also very common that leaders use their status and power for personal benefits (e.g., 'exploitative paternalism'). For instance, high level managers clearly favor their in-group members in personnel decisions such as staffing. Leaders are highly status conscious. They may resist change not to lose power or relinquish authority. They want to remain in power to maintain their and their families' status in society. Despite close and good interpersonal relationships with workers, they demand formality and respect. Workers are strongly discouraged to bypass authority.

The decision making process reflects the power inequality. Usually, the process is centralized, and the decisions are made unilaterally. This is partly because the leaders do not want to relinquish power by being participative. Subordinates also expect the leader to be decisive, not only because they trust his wisdom, knowledge and competencies, but also they are afraid of taking risk and responsibility by getting involved in the decision making process.

The image of a strong leader is someone who knows it all, and who is a hero and a savior. Sometimes a leader maybe perceived as weak and incompetent if s/he is excessively participative. Instead, they maintain a 'consultative' approach where they consult their subordinates (usually in an informal way), and give the final decision unilaterally.

Preferred Leadership Characteristics

Robert J. House and 170 local investigators completed major cross-cultural research on leadership and organizational effectiveness. A total of 62 countries representing all continents participated in this major undertaking, the GLOBE project (Global Leadership and Organizational Behavior Effectiveness - http://www.ucalgary.ca/mg/GLOBE/Public). According to the preliminary findings (Hartog, House, Hanges, et al., 1999), the most preferred leadership characteristics in all countries (developing and developed alike) involve charisma, participation, and team integration. In fact, all these leadership qualities are important and relevant particularly for developing countries. The most important characteristics of charismatic/transformational leaders include their emphasis on change and transformation through a strong vision and sense of mission for the organization, intellectual stimulation (i.e., helping followers to recognize problems and solutions), individualized consideration (i.e., giving followers the support, attention, and encouragement needed to perform well), and inspirational motivation (i.e., communicating the importance of the organization's mission and relying on symbols to focus their efforts).

Employees in developing countries - especially the young and well-educated generation - seek more participation in the decision-making process. An ideal leader is also a 'team integrator'. As will be discussed in detail in the next section, effective teamwork may be difficult in developing countries. Leaders who are able to overcome the cultural barriers to motivate and mobilize employees to do teamwork are considered to be highly effective.

In conclusion, the ideal leader profile in developing countries is:

- Empowering (able to make people feel that they are powerful).
- Participative, but also decisive.
- Trustworthy: Knowledgeable, skillful and administratively competent.
- Paternalistic and also performance-oriented.
- Fair and just, especially in interpersonal relationships.
- Diplomatic.
- Conscious of status differences, but at the same time modest and humble.
- Team integrator.

Teamwork

Some of the socio-cultural characteristics of developing countries may not be elusive to effective teamwork. Relationship-orientation may be perceived as an asset for teamwork,

but the nature of relationships and in-group dynamics may hinder effectiveness. The barriers to teamwork effectiveness are outlined in the following.

Team formation and member composition

In most of the organizations, team members are appointed on the basis of their task-related knowledge and competencies. However, because of the strong in-group and out-group differentiation in developing countries, it is difficult to persuade people to work with those who are perceived to be an out-group member. In fact, if given the chance to self-select the team members, teams are formed on the basis of friendship relationships. Interpersonal harmony in teams is more important than task accomplishment. As such, team members find it very difficult to work with someone who they 'don't know' or 'don't like'. Members who have the potential to disturb in-group harmony are not wanted no matter how competent they may be.

> *In her first year of teaching back at home, a US-educated Pakistani professor randomly assigned senior students into teams for their final class projects by drawing a lottery. This was a common practice back in the US. To her, it was an excellent opportunity for students to practice and learn how to work with different people in 'real life'. Soon after, a student came to her office in tears saying that "Professor, you put me in the same team with someone who I have not been talking since we were 8 years old. Under the circumstances, I have to drop the course". The professor was in shock. Which one was worst? Was it that the student blamed the teacher for this sheer coincidence, or that the student was not talking to someone for more than 10 years, or that she dropped the course because of this?"*

Team cohesion

Teamwork requires egalitarian relationships and cohesiveness. Some status-conscious members may be reluctant to cooperate or share information with others to maintain their powerful position in the team. This not only hurts team cohesiveness, but also delays task completion. Also, in-group rivalry may occur to get the praise and recognition of the superior. To the other extreme, excessive team cohesiveness may easily result in 'group thinking', because some members may be reluctant to voice their disagreements not to risk their position in the team.

Performance feedback

Team members who do not perform at the expected level rarely receive negative feedback from others. If a member receives negative feedback, s/he takes it personally and takes offense. Criticisms that are done publicly or that represent a group's opinion are especially hurtful to people's public image and honor. The member who receives such feedback may leave the group immediately and may even try to sabotage the process. It is not appropriate or common for team members to give performance feedback to one another in

an open manner. It is also not appropriate to report the low performing team member to the higher management. Such an act of 'whistle blowing' is considered as unethical and immoral. Therefore, often times, the low performing members hide in the group and go unnoticed.

Division of responsibility

Social loafing is more likely to occur in teams where there is no consequence of low performance. Team members feel compelled to protect one another from reprimands of the management. Reliance on 'backing up' among team members increases social loafing. Another factor that increases social loafing is the members' need for clear role differentiation and task assignments. Lack of clarity in task assignments may sometimes be used as an excuse not to take on extra responsibility.

> This is a story of 'everybody', 'somebody', 'anybody' and 'nobody' working in a Zimbabwean firm: There was some very important work to be done and everybody was sure that somebody would do it. Anybody could have done it but nobody did it. People were very angry because it was everybody's job. Everybody thought that anybody could have done it, but nobody realized that somebody wasn't doing it. The story ends with everybody blaming someone when nobody did what anybody could have done. (modified from Granell, 1997, p. 36)

Evaluation apprehension

Self-representation is an important concern for people in developing countries. Team members may hesitate to participate in group discussions because of the concern on how they are perceived and evaluated by others. Others' perceptions and evaluations are important as they determine whether or not the group accepts or rejects the individual. Evaluation apprehension exists especially when a member has to present a counter-argument, or brings a new perspective to the group's attention. This, obviously, is a serious barrier to innovation and creativity in teams.

In order to improve teamwork and communication effectiveness in developing countries, the following suggestions could be useful.

- Teamwork effectiveness is enhanced if there is a leader who is skillful in both maintaining good interpersonal relations and setting high performance standards. Leaderless or autonomous groups are less likely to succeed in a developing country context.
- Leaders must be sensitive to feelings of insecurity among members. Leaders have to spend considerable time and effort to inculcate feelings of acceptance and indispensability among team members to minimize in-group rivalry and increase group cohesiveness.

- In order to decrease uncertainties and social loafing, individual roles and responsibilities should be clearly stated. In addition, team's goals have to be well-defined and articulated clearly by the management.
- Members will benefit greatly from training in effective teamwork where they will acquire knowledge and skills about performance management and communication in teamwork.
- Before starting to work together, the team should establish norms on how to handle difficult team members as well as on the ground rules in meetings. Once the group sets these norms jointly and agrees upon the repercussions for violating them, team members who receive negative performance feedback are less likely to take it personally and withdraw from the group.
- In forming the team, members' compatibility in terms of interpersonal relations should be given special attention. That is not to say that only 'close friends' should work in teams, but it should be remembered that interpersonal conflicts do interfere with effective teamwork functioning.
- Social activities that will improve interpersonal relationships among team members should be organized to increase cohesiveness. People need time to get to know one another before working together.
- Team members' performance evaluations should not be done individually. However, poor performers should be monitored through either periodical and anonymous peer evaluations, or careful observations in group meetings. It should be the manager or the team leader who gives the negative feedback in a private meeting. Team success should be rewarded as a group.

Conclusion: Global Leadership Challenges and Opportunities

A developing country may be defined as one in which too many opportunities go unexploited, undeveloped, unrealized. And the entrepreneurial manager seeks out, exploits, and develops these opportunities (Mendoza, 1997, p. 71).

Indeed, the cultural context in developing countries may present too many opportunities for global leaders. Loyalty, trust and affection for the leader; importance of harmonious interpersonal relationships; desire to learn and motivation to develop; self-sacrifice for the well-being of the 'in-group'; flexibility. These are workforce characteristics that have great potential to enhance organizational performance, if utilized effectively. On the other hand, the global leader will be challenged to gain acceptance as an in-group member, motivate employees for higher performance, improve communication effectiveness, overcome the sense of insecurity, helplessness and dependency proneness, and administer participative decision-making. For global leaders, turning barriers into opportunities is a journey that takes time, patience and courage. To many, however, this journey has been immensely rewarding spiritually and professionally.

References

Hartog, D. N., House, R. J., Hanges, P. J., et al. (1999). Culture specific and cross culturally generalizable implicit leadership theories: Are attributes of charismatic/transformational leadership universally endorsed? *Leadership Quarterly, 10,* 219-256.

Kabasakal, H & Dastmalchian, A. (2001), Leadership and culture in the Middle East. (Special Issue) *Applied Psychology: An International Review, 50,* pp.559-589.

Kagitcibasi, C. (1996). *Family and human development across cultures.* New Jersey: LEA.

Kanungo, R. N. & Jaeger, A. M. (1990) (Eds.). *Management in developing countries.* London: Routledge.

Punnett, B. J. (2004). Management in developing countries: An introduction. In H. Lane, M. L. Maznevski, M. Mendenhall (Eds.). *The handbook of global management: A guide to managing complexity* (190-199). Oxford: Blackwell.

Author Note

About the Author

Zeynep Aycan was born, raised, and educated for the most part in Turkey. She completed her Doctoral Degree in Canada where she lived for five years. She has numerous publications in the area of cross-cultural management with specific focus on expatriation process, culture and HRM practices, indigenous leadership concepts, and women in management. She is the founder and Editor (with Terence Jackson) of an academic Journal: *International Journal of Cross-Cultural Management* (Sage Publishing). Through this Journal, she enjoys working with authors from various scientific disciplines on innovative approaches to cross-cultural management. In her teaching, consulting, and research, she passionately advocates sensitivity to cultural context without which she believes the endeavor lacks its purpose and meaning. E-mail: zaycan@ku.edu.tr

Discussion Questions

1. How do you react to the concept and term 'Developing Countries' (DCs)?

2. In what ways and to what extend do you think the reading reflects the culture and management in DCs?

3. In what ways do you think living and working in DCs presents challenges and opportunities to global leaders and managers?

4. If you were to take a developmental approach in your management, what would you do to 'develop' the workforce in DCs to improve teamwork?

5. If you were to work in DCs as a 'Western' manager, to what extend and in what contexts would you 'think Global' and 'act Local'?

6. Suppose that you are a 'Western' or 'Western educated' manager working in DCs where there are numerous aspects of management culture that you don't approve (e.g., paternalism). How 'ethical' or appropriate do you think it would be to 'change' those aspects of the work culture that you find highly ineffective? How 'ethical' or appropriate do you think it would be 'not to change' those aspects of the work culture that you find highly ineffective?