Volume 7 Issue 1, January 2024

# Cross-Cultural Leadership

Eliana Sari<sup>1</sup>, Nur Vita Irma Yanti<sup>2</sup>, Khadijah Adilah<sup>3</sup>, Ema Amalia<sup>4</sup>, Andi Kurniawan<sup>5</sup>, Adi Wulandari<sup>6</sup>

1,2,3,4,5,6 (Post Graduated of Educational Management – Jakarta State University, Indonesia)

ABSTRACT: Globalization has had a real impact on this, where foreign companies can be established in any country without any borders or partitions, which of course is because companies founded by countries outside the country where they are located automatically top leadership will be held by the people where the company is located. If that exists, there will be an organization in which there is cross-culture. This cross-cultural leadership occurs as a result of globalization that occurs in almost all fields. Difficulty in leading a group or organization is a challenge in itself so that through several cases it can be concluded that an organization can achieve its goals if the leader understands the organizational culture and recognizes leadership styles so that cross-cultural differences anywhere do not become difficult when faced by understanding 6 dimensions such as Power Distance, Group Attachment, Gender Association, Uncertainty Avoidance, Time Orientation and Indulgence.

KEYWORDS -Cross-Cultural Leadership, Leadership, Globalization

# I. INTRODUCTION

Leaders do not exist because they are born, but leaders exist because they are formed and trained with the skills, competencies, abilities and expertise to play their role in mobilizing and directing other people to achieve the organization's vision, mission, goals and strategies. As a leader, you are required to be able to provide motivation, build good relationships with your followers, and be able to set organizational goals. Emotionally, a person's leadership style can be authoritative, coaching, affiliate, democratic, coercive, and pacesetting. Each of these leadership styles can be applied situationally depending on the challenges an organization faces.

Leaders exist because they are formed and trained, the figure of a leader exists not because they are born, good leaders develop and are forged through a never-ending process of independent learning, education, training, seriousness and experience. Forging will make someone have quality leadership management, able and willing to work hard to lead an organization to become more developed and advanced.

Leadership is the process by which one person influences others to achieve goals and direct an organization in a way that makes it more cohesive and coherent. Leaders carry out this process by applying their leadership attributes, such as beliefs, values, ethics, character, knowledge and skills. Effective leaders are not only able to inspire but are also able to orchestrate an organization in achieving the vision, mission and goals that have been set. Globalization has had a real impact on this, where foreign companies can be established in any country without any borders or partitions, which of course is because companies founded by countries outside the country where they are located automatically top leadership will be held by the people where the company is located. If that exists, there will be an organization in which there is cross-culture.

Cross-cultural leadership will actually occur in corporate organizations in Indonesia because they consist of various ethnicities that have a diversity of customs, religions, demographics, etc. Moreover, currently Indonesia is facing an era of globalization where many companies have been established as a result of mergers

ISSN: 2581-7922,

Volume 7 Issue 1, January 2024

with other countries, so cross-cultural leadership is an inevitability that cannot be avoided. This cross-cultural leadership occurs as a result of globalization that occurs in almost all fields. Research on cross-cultural leadership is part of a growing and important body of knowledge in the field of leadership

Effective leaders who can overcome all obstacles, related to cross cultures. Learning and solutions are needed for an organization to survive, grow and become the best.

#### II. CROSS-CULTURAL LEADERSHIP

Globalization has encouraged cooperation between countries on various issues related to political cooperation, education, economics, tourism, religion, and many more. Each country has its own characteristics that make it its identity, which is usually called culture. Culture is humans' unique way of adapting to situations and passing on their skills and knowledge to the next generation. Culture provides an identity about who they are, how they should behave, and what they should do. Culture includes the values and patterns that influence workplace behavior, morale, productivity, and organizational attitudes and behavior. Culture is dynamic. Culture will change, but slowly. Culture is often seen as the driving force behind human behavior.

A tool for understanding macroculture or microculture is to investigate whether you live in rural southern United States, bustling cities in India, Hong Kong, Bangalore, Arusha, Tanzania, or Baghdad, Iraq(Stueart&Moran, 2007).

- a. Sense of self and space
- b. Communication and language (Communication and Language).
- c. Typical food.
- d. Time and time discipline.
- e. Relationships, values, norms.
- f. Beliefs and attitudes.
- g. Mental processes and learning.
- h. Work habits and customs.
- i. Kinship system.
- j. Education system.
- k. Economic system.
- 1. Political system.
- m. Religious system.
- n. Association system.
- o. Medical system.
- p. Recovery system.

Each country has its own characteristics that make it its identity, which is usually called culture. Culture is humans' unique way of adapting to situations and passing on their skills and knowledge to the next generation. Culture causes great divisions among humanity, causes conflict, and divides people and nations with cultural differences. According to Tecoalu, Tj& Susy, 2022) cross-cultural leadership is a form of leadership interaction between leaders and subordinates with different cultural backgrounds. What differentiates cross-cultural leadership from traditional leadership lies in the cultural differences faced, as well as considering existing cultural differences in the leadership process.

# III. TYPES AND DIFFICULTIES OF CROSS-CULTURAL LEADERSHIP

The adjustment model for expatriate leaders who experience cross-cultural experiences is (Lumbanraja, 2008):

- a. Reaction Model: expatriate leaders change the environment more than their own behavior.
- b. Integration Model: expatriate leaders change behavior to suit local circumstances. Reverse reaction model.

Volume 7 Issue 1, January 2024

c. Withdrawal Model: the expatriate leader withdraws physically and mentally, trying to avoid problems.

Communication is also a crucial thing that should not escape the attention of a leader in a cross-cultural context. Because generally the obstacle faced when outside the country of origin is language. Language is a medium of communication between individuals to express intentions, exchange ideas, and give specific directions. (Martins & Terblanche, 2003) explain that cross-cultural factors clearly have the potential to create major communication problems. By understanding obstacles and how to anticipate them, a leader can avoid conflicts that are vulnerable to being caused by language problems. The difficulties that leaders usually face are the existence of existing problems. According to (Luthans, 2011). There are three problems that contribute to obstacles in carrying out cross-cultural leadership, namely stereotype problems, ethnocentrism problems and perception problems.

- a. Stereotype problems, namely their causes and impacts in everyday life. This means that a stereotype is an unbalanced assessment of a group of people. This assessment occurs because of the tendency to generalize without differentiation.
- b. The problem of ethnocentrism, namely the tendency of someone to think that their group is better than other groups, so that this encourages irrational actions, such as committing violence, war, brawls, and so on.
- c. Perception problems, namely problems that usually occur about objects, events, or relationships obtained by inferring information and interpreting messages. Perception is giving meaning to sensory stimuli. Perception is the process of understanding or giving meaning to information regarding a stimulus.

## IV. DIMENSIONS OF CULTURAL VALUES AND CROSS-CULTURAL LEADERSHIP

Joint decision making between multicultural leaders and subordinates also has its own challenges. Differences in cultural perspectives often influence how a problem is interpreted and what solutions are considered appropriate (Steers, Sanchez-Runde, & Nardon, 2019). These differences are prone to causing disagreements and conflicts in making decisions. Leaders are required to understand the frame of mind of people from various cultural backgrounds in order to find solutions that accommodate the interests of all parties. Cultural dimensions according to (Hofstede, 1991) "Dimension of culture is the comparison of cultures presupposes that there is something to be compared - that each culture is not so unique that any parallel with another culture is meaningless". This understanding can be understood that to find out the cultural comparison of a nation can be done by comparing the culture of one nation with another nation, and in fact each culture of a nation is not so unique, in other words every culture that is parallel to another culture does not have the same meaning. so meaningful. The following are the six cultural dimensions built by Hofstede:

# a. Power Distance

Power distance is the extent to which members who have less powerful positions in the company can accept that power is distributed unequally. Where some people are considered superior compared to others based on social level, educational level and position level or other factors which are a form of high power distance. "This dimension reflects the values of members of society who have less power". Power distance is divided into two, namely low power distance and high power distance. In a society with low power distance, it will be reflected in the relatively small emotional distance between superiors and subordinates, where subordinates can easily approach and argue with their superiors, on the other hand, high power distance makes it impossible for subordinates to approach and argue with their superiors because of the emotional distance between the two. relatively high.

# b. Group Attachments

This dimension is related to the extent to which individuals are integrated into a group, the concept of group attachment consists of individualism and collectivism, the concept of individualism is people

ISSN: 2581-7922,

Volume 7 Issue 1, January 2024

who seek and protect their own interests over the common goals of society and their role in society, while the collectivism culture of people people are more likely to group together and have the goal of looking after each other.

#### c. Gender Association

Based on the cultural concept, gender association is differentiated by the words masculinity and femininity which are also determined by occupation, education level and social strata. Masculinity itself is more about preferences in social life.

#### d. Uncertainty Avoidance

"Uncertainty avoidance measures the extent to which people feel threatened by situations that are uncertain, unknown, ambiguous and unstructured. People who have a high uncertainty avoidance cultural dimension tend to be more emotional. "Societies that have high uncertainty avoidance tend to feel threatened when faced with uncertain situations, and will form institutions to avoid this uncertainty". Meanwhile, low uncertainty avoidance accepts and feels comfortable in unstructured situations or environments that frequently change.

#### e. Time Orientation

This is related to the choice of focus for human endeavors from time to time starting from the future, present, or past. Time orientation is divided into long-term orientation and short-term orientation, where this orientation describes the focus and cultural values that relate to people's mindset.

#### f. Indulgence

Indulgence is Hofstede's dimension which reflects a society whose social order is very tolerant of the expression of desires and feelings, especially those related to the use of free time, seeking entertainment with friends, purchasing goods, consumption, and things of a sexual nature. The end of this dimension is restraint which reflects society's restraint on the pleasures mentioned previously. "People who fall into this category tend to enjoy life less" (Hofstede, 1991).

# V. CROSS-CULTURAL LEADERSHIP FIGURE

In this study, researchers analyzed several examples of cross-cultural leadership figures based on expatriates at PT Pertamina (Persero). Leadership in leading a company is very important in influencing employee performance from all aspects. Generally, PT Pertamina (Persero) has different field expertise and education with the aim of becoming a world-class national energy company in accordance with Pertamina's vision with employees having and implementing AKHLAK values.

One dimension of cross-cultural leadership is gender. PT Pertamina has a female leader and is included in The World's 100 Most Powerful Women, namely Nicke Widyawati who was able to lead the company for 2 periods. According to Pertamina President Director Nicke Widyawati, company leadership must be carried out aggressively by replacing senior leadership at the management level. (Schein& Schein, 2017) explain about exploring the five key roles used by effective leaders. The five roles are (1) the edgy catalyst; (2) the visionary motivator; (3) the measuring connector; (4) the tenacious implementer; and (5) the thoughtful architect...In meeting the challenges, the company has formed the best talent development program or what is called Catalyser. The Catalyser program has a concept, namely by collaborating with senior vice president level workers as mentors and assessors to develop the next generation of leaders. The 4 programs are enterprise, energy, global, and technology. The Enterprise Program is the development of leadership capabilities and mindset to develop and create leading businesses and strategies, change and technology. The Energy Program is a capability development and leadership mindset to develop energy sources for oil, gas, geothermal, petrochemical, new or renewable energy applications. The global program is the development of leadership capabilities and mindset for international business and working across cultures. Meanwhile, the technology program is the leadership capability and mindset to anticipate and adapt to technological change and disruption.

Furthermore, Barack Obama's leadership took a cross-cultural approach in the first 6 months of holding office. Obama travels abroad more often than any previous US president. In President Obama's first year running to build more pleasant relations with the Middle East, China and Russia, the world greeted him with the award of the Nobel Peace Prize. During his visit the following year, Obama frequently rebuked State Department officials who did not comply with his policies. However, Obama still shows attention to the culture of other countries, such as how he greets small countries like Cambodia, to show his respect for the local head

ISSN: 2581-7922,

Volume 7 Issue 1, January 2024

of state. At the end of his term of office, he visited Vietnam where he ate at a restaurant on a side street, showing a modest attitude. A country leader has a different "style" in leading the country depending on values and his principles about politics. The values and principles of a leader are formed and instilled over time Leader's life since childhood. In the table above it can be seen that the individual's character, the values they believe in and a leader's life experiences influence his perspective on leading a leader country. Each of the leaders' past lives left behind principles that were used as basis for developing a policy (Zubaidah & Herningtyas, 2021).

#### VI. CONCLUSION

Difficulty in leading a group or organization is a challenge in itself so that through several cases it can be concluded that an organization can achieve its goals if the leader understands the organizational culture and recognizes leadership styles so that cross-cultural differences anywhere do not become difficult when faced by understanding 6 dimensions such as Power Distance, Group Attachment, Gender Association Uncertainty Avoidance Time Orientation Indulgence.

### VII. Acknowledgements

Thank you to Post Graduated of Educational Management - Jakarta State University, Indonesia.

#### **REFERENCES**

- [1] Carmeli., Abraham., Meitar, Ravit., Weisberg& Jacob. (2006). "Self leadership skills and innovative behavior at work", International Journal of Manpower, Vol. 27 No. 1, pp. 75-90
- [2] Hofstede. (1991). Cultures and Organizations: Software of the Mind. London: McGraw-Hill.
- [3] Gardner, W. L., Avolio, B. J., Luthans, F., May, D. R., & Walumbwa, F. (2005). "Can you see the real me?" A self-based model of authentic leader and follower development." *The Leadership Quarterly Journal*, *16*(3) 343-372. https://doi.org/10.1016/j.leaqua.2005.03.003
- [4] Karmila, N. (2019). Peran Penting Kepemimpinan Dan Budaya Organisasi Dalam Menciptakan Anggota Organisasi Yang Memiliki Organizational Citizenship Behavior. *Jurnal Ilmiah Pendidikan*, *3*(1), 15–21. http://journal.unpak.ac.id/index.php/pedagonal
- [5] Luthans, F. (2011). Organizational Behavior: An Envidence Based Approach 12 th Edition. New York: The Mc Grow Hill Companies, Inc
- [6] Martins, E. C., & Terblanche, F. (2003). "Building organizational culture that stimulates creativity and innovation." *European Journal of Innovation Management*, 6(1) 64–74. https://doi.org/10.1108/14601060310456337.
- [7] Schein, E.H. & Schein, P. (2017). *Organizational Culture and Leadership. 5th Edn.* New Jersey: John Wiley & Sons.
- [8] Steers, R. M., Sanchez-Runde, C., & Nardon, L. (2019). Management across cultures: Developing global competencies. *Cambridge University Press*.
- [9] Stueart, R.D. & Moran, B. B. (2007). *The Human Resource Function in the Library. Library and Information Center Management.* 7th Edition, Libraries Unlimited, London.
- [10] Tecoalu, M., Tj., H. W., & Susy, S. (2022). Efek Mediasi Motivasi Kerja pada Pengaruh Budaya Organisasi dan Kepemimpinan Transformasional terhadap Kinerja Karyawan. *BUDGETING: Journal of Business, Management and Accounting*, 3(2), 119–143. https://doi.org/10.31539/budgeting.v3i2.3869
- [11] Zubaidah, A. A., & Herningtyas, R. (2021). Conciliator Vs Bloc Leader: Perbandingan Kebijakan Barack Obama & Donald Trump Dalam Merespon Pertumbuhan Ekonomi China. *Jurnal Ilmiah Widya Sosiopolitika*, 3(2), 127. https://doi.org/10.24843/jiwsp.2021.v03.i02.p05