

LEADERSHIP IN CROSS-CULTURAL ENVIRONMENT – A COMPARISON OF ASIAN AND NON-ASIAN MANAGERS

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Abstract: *The globalization era has brought multiple challenges and several opportunities with it. As a result of global collision of organizations, the challenge of understanding multicultural environment has prominently surfaced. The leaders (managers) of these organizations are in need of understanding the similarities and differences of different cultures, as the workforce today is very diverse even on the basis of their individual cultural background. In the words of Geert Hofstede (1980), “cultural differences are primarily encountered as differences in shared values, with values being defined as broad tendencies to prefer certain states of affairs over others.” Such a difference in the individual values influenced by their cultural background in the work environment gives rise to multi-culture leadership in the team.*

In the words of Juana Bordas (2007), “businesses that take a multicultural approach to leadership are the ones that will thrive in our more colorful world”. Many cross-cultural leadership studies have been conducted across the globe in various industries. There is no well-known attempt directed specifically to examine and develop a full-fledge study comparing the Asian and Non-Asian (Western) managers in this context.

The role of a cross-cultural leader is to knit his diverse workforce into one strong team. This calls for the leader to understand the different dimensions of culture (Geert Hofstede, 1980). Hofstede (1998b) emphasizes that cultural differences are primarily encountered as differences in shared values, with values being defined as ‘broad tendencies to prefer certain states of affairs over others’. It is therefore very crucial for cross culture managers to seek an in-depth understanding of the challenges of cross-cultural environment, which shall in turn assist them to blend different leadership styles to develop a unique leadership approach and team culture to handle such challenges.

Keywords: *Cross-culture, Ethnicity, Asian and Non-Asian Managers, Leadership Dimensions (Challenges and Approaches)*

BACKGROUND TO THE STUDY

Culture is understood to be a rich combination of personal history, traditions, economic and technological practices of a society in which any individual lives and develops. The backbone of our understanding of the surrounding environment

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is formed by our culture which helps us to develop meaning for our interactions with the rest of the world. The most basic concepts that build a society run through a common thread among all the cultures, but they are differently viewed by people depending on the cultures to which they belong. This interpretation of the basic concepts of other people arises due to varied cultural practices, which can seem to be irrational or contradicting to the interpretation that we hold sacred.

The globalization era has brought multiple challenges and several opportunities with it. As a result of global collision of organizations, the challenge of understanding multicultural environment has prominently surfaced. The leaders (managers) of these organizations are in need of understanding the similarities and differences of different cultures, as the workforce today is very diverse even on the basis of their individual cultural background.

In the words of Juana Bordas (2007), "businesses that take a multicultural approach to leadership are the ones that will thrive in our more colorful world". Any large enterprise that is desirous to grow in our present world, should have leaders that have an adaptable leadership style that would bring out the best in the diverse workforce that comes from different communities of the world carrying different work cultures and practices.

Graen, Hui, Wakabayashi, and Wang (1997) note that 'cross-cultural research is essentially focused on comparability, and that etics and emics are the foci'. 'Emics' are practices that are not common but unique to a particular culture, whereas 'Etics' are practices that are common or universal, and to be found in all cultures.

The role of a cross-cultural leader is to knit his diverse workforce into one strong team. This calls for the leader to understand the different dimensions of culture (Geert Hofstede, 1980). Hofstede (1998b) emphasizes that cultural differences are primarily encountered as differences in shared values, with values being defined as 'broad tendencies to prefer certain states of affairs over others'. It is therefore very crucial for cross culture managers to seek an in-depth understanding of the challenges of cross-cultural environment, which shall in turn assist them to blend different leadership styles to develop a unique leadership approach and team culture to handle such challenges.

RESEARCH PROBLEM

Many cross-cultural leadership studies have been conducted across the globe in various industries. There is no well-known attempt directed specifically to examine and develop a full-fledge study comparing the Asian and Non-Asian (Western) managers in this context. The present research question to be addressed by the current study is:

What are the leadership challenges faced by cross-cultural managers. Examining of these challenges as perceived by managers and the approach they adopt to tackle them; and to

study whether there exist any difference in their perceptions towards these challenges and approaches.

OBJECTIVES OF THE STUDY

- To examine the existence of challenges faced by leaders in cross-cultural environment.
- To study the approaches adopted by multicultural leaders to lead in cross-cultural environment.
- To identify the role of ethnicity in difference in perception of Asian and Non-Asian managers towards the challenges and approaches.

RESEARCH METHODOLOGY

The study is exploratory in nature and hence survey method is adopted. The survey is conducted through questionnaire that is designed taking into consideration the major objectives of the study, it has been pre-tested and suitable modifications are made. The survey is conducted across the globe, not being specific to any particular region or country, as the very purpose of the study is to understand how the cross-cultural managers of different countries belonging to different nationality perceive the challenges faced by them while handling their multi-cultural team members. The reason behind not selecting any predetermined region is to avoid the influence of responses being received by managers belonging to the same culture, which would result into commonness in perception of managers.

The sample size for this study is purely selected on the basis of their experience as managers, in cross-cultural environment. Since there is no specific company or region selected for the study, the samples are collected using simple random sampling technique. In total, 479 duly filled and complete questionnaires are used for the present study.

The Questionnaire

A questionnaire with two sections is developed to conduct the survey. The first section aims at gathering demographic details of the respondents including the information about their exposure to handling a multi-cultural team with their team members belonging to different countries. The second section is fully dedicated to the variables of the leadership challenges and approached in a multi-cultural environment. The instrument is so designed to get the responses for challenge perception and approaches to these challenges simultaneously. A total of 39 statements are made covering various facets of challenge perception and approaches to these challenges. The response to these statements is ascertained in five-point Likert scale.

Pilot Study and Pretesting

A pilot study was conducted with a sample of 80 respondents covering three cities in India – Chennai, Bangalore and Pune, and also few respondents from the United States of America. However, difficulties faced by these respondents in understanding the contents and purpose of the questionnaire in terms of the terminologies used, came to light. In the light of experience gained, the questionnaire was modified suitably to elicit the response from the sample group.

Reliability Analysis

The final scale reliability was tested using cronbach's alpha coefficient. The test results show that the scales were highly reliable. The analysis indicated a particularly fair level of reliability with a Chronbach's Aplha of 0.88.

LIMITATION OF THE STUDY

This study covers respondents from across 33 countries, with varying numbers of samples from different countries. Though this could be taken as representative of cross-cultural managers throughout the globe, a study conducted at global level, covering larger number of countries, more certain and larger number of respondents, will be ideal.

CROSS-CULTURAL ENVIRONMENT

Cross-cultural leadership study has been a popular concept in theory and research for quite some time now and has received a great deal of attention in past couple of decades. The cross-cultural environment has much to offer in terms of its ability to explain the differences that exist between cultures and how common are these differences. Geert Hofstede, a well-known Dutch researcher in the field of organizational studies and organizational culture, has been one of the leading figures in the development of in-depth literature on cultural variations, and also in assessing and classifying cultures based on the following dimensions: Power Distance; Uncertainty Avoidance; Collectivism vs. Individualism; Masculinity vs. Femininity; Long-term Orientation (Hofstede, 1980, 2001)..

Drenth and Den Hartog (1998) state that there are two basic questions to be addressed in cross-cultural organizational psychology;

- (i) Whether organizations in different countries have consistently different characteristics or pattern of member behavior (or) whether characteristics and behavior patterns interact consistently within cultures and differently between cultures.

- (ii) To determine whether these differences are actually due to differences between the cultures.

CROSS-CULTURE LEADERSHIP - AN OVERVIEW

In the words of Geert Hofstede (1980), “cultural differences are primarily encountered as differences in shared values, with values being defined as broad tendencies to prefer certain states of affairs over others.” Such a difference in the individual values influenced by their cultural background in the work environment gives rise to multi-culture leadership in the team.

The increasing global business environment has forced many companies to build teams that include members from different countries. Though most of these teams are designed to extract resources and increase efficiencies, the cultural diversity of these team members shall create a longer learning curve for establishing effective functioning of processes than culturally homogeneous groups (Gibson & Vermeulen, 2003). Managers of multicultural teams are therefore faced with this challenge of how to access and utilize individual member’s strengths and at the same time minimize co-ordination losses due to language differences, different working styles, communication problems and misunderstanding. According to E.S.Wibekke (2009), leaders of today face new challenges including communicating and interacting across regional, national, ethnic, cultural, language, and legal boundaries; dealing with and implementing continual change; coping with increased ambiguity; negotiating and resolving conflict; motivating a multi-cultural workforce; and in some cases managing a foreign assignment and living as an expatriate.

It is extremely important for multi-culture managers to understand the challenges that may be faced by them while handling a multi-culture team as they have to tap and utilize the individual members strengths, while at the same time bring co-ordination between the team members, so as to reduce the loss that may be suffered due to communication problems, language differences, varying working styles and several other reasons for development of misunderstandings.

Difference between Asian and Non-Asian Managers

Most of the cross-culture studies and articles analyze the environment by dividing the cultures on the basis of east and west. One such article that describes the differences between Asian and Non-Asian managers (east and west) is given by Chalre Associates (2013), where they discuss about the cultural differences between eastern and western managers. The Asian continent comprises of countries such as Malaysia, Singapore, India, China, Japan, Indonesia, Philippines, and the western managers belong to the continents like Europe and USA. Both the east and west

cultures have lot more similarities than differences. However, we look out for the differences here as it shall provide a better understanding of the impact of these differences on the perception of the multicultural managers coming from these different set of cultures. Some of the significant cultural differences between the east and west are (Chalre Associates, 2013);

People from western culture normally have the practice of giving direct and clear comments and instructions, whereas in the eastern part the practice is to suggest ideas and use non-verbal clues for communicating opinions. Managers from west freely allow and appreciate the subordinates for asking questions to seek better clarifications on the instructions. In Asian countries, such practice of asking direct questions by subordinates is not appreciated and is considered as challenging the superior's authority.

Asian managers strongly believe in the practice of solving problems by discussing the issue in groups to figure out a solution that does not offend anyone, whereas, non-asian managers believe in solving the problems directly and quickly, without making any delay, even though if such an approach results in disrupting others emotional level in the group. Apart from leading the western managers consider themselves as any other member of the team. Traditional Asian managers practice paternalistic approach to authority by providing guidance and support to the subordinates, and expect strong loyalty and obedience.

Westerners understand a 'YES' to mean there is an agreement but, Asians often use the word 'YES' to acknowledge that they are listening and an agreement is yet to be reached. Managers in western society believe in more flattened socio-economic structure with fewer levels of hierarchy. But managers in Asian society follow a well-defined structure and hierarchy. Non-asian managers believe in individualism; and the Asians work as a group, hence believe in practicing collectivism.

DATA ANALYSIS

In this study a consistent 5 point anchored scale is used across all items of a multicultural leadership questionnaire. As the instrument used here is designed to suit the objectives of the study, as already stated, the questionnaire is prepared using earlier literature work of researchers in the given field with modifications in their wordings. As multicultural leadership is the outcome of globalization, the effect of globalization on the challenges faced by multi-culture managers and their approaches to handle these challenges, may throw some light on certain factors. Thus it was decided to measure the perception of Asian and Non-Asian managers for the challenges and their approaches through this questionnaire.

Test of Normality of Data

		<i>Statistic</i>	<i>Std. Error</i>
Aggregate Score	Mean	153.8935	.55033
	95% Confidence Interval for Mean	Lower Bound	152.8122
		Upper Bound	154.9749
	5% Trimmed Mean	154.6343	
	Median	159.0000	
	Variance	145.070	
	Std. Deviation	12.04451	
	Minimum	120.00	
	Maximum	167.00	
	Range	47.00	
	Interquartile Range	19.00	
	Skewness	-.875	.112
	Kurtosis	-.599	.223

The parameters in the above table indicate that there is no unusual values, extreme values, gaps in the data, or other peculiarities. The data seems to be negatively skewed with a skewness score of -.875, but that is well within the limits of -1 to +1 score. For the purpose of this analysis the aggregate score of 39 variables for which responses were collected from the respondents has been used. Hence it is possible to conduct the proposed analysis of the data, without transforming them.

Proportion of Variance Explained by Principal Components

In the case of Leadership Challenges, the PCA followed by a Varimax Rotation extracted 5 components with Eigen values greater than 1. The 5 components accounted for 54 percent of the total variance (Table 1.1). The number of components expected to be extracted generally lies in the range of $K/3$ and $K/5$ where K represents the number of variables entered into analysis (Tabachnick & Fidell, 1996, p. 672).

Table 1.1
Total Variance Explained before Rotation (Challenge Factors)

<i>Component</i>	<i>Total</i>	<i>Initial Eigenvalues</i> <i>% of Variance</i>	<i>Cumulative %</i>
1	4.595	22.977	22.977
2	2.580	12.901	35.879
3	1.515	7.573	43.452
4	1.166	5.832	49.283
5	1.068	5.341	54.624

Extraction Method: Principal Component Analysis.

Table 1.2
Total Variance Explained after Rotation (Challenge Factors)

Component	Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %
1	3.865	19.326	19.326
2	2.742	13.709	33.034
3	1.753	8.766	41.800
4	1.328	6.638	48.438
5	1.237	6.186	54.624

Extraction Method: Principal Component Analysis.

Similarly, in case of Leadership Approaches, the PCA followed by a Varimax Rotation extracted 4 components with Eigen values greater than 1. The 4 components accounted for 48 percent of the total variance (Table 2.1).

Table 2.1
Total Variance Explained before Rotation (Approach Factors)

Component	Initial Eigenvalues		
	Total	% of Variance	Cumulative %
1	3.841	24.004	24.004
2	1.648	10.298	34.301
3	1.234	7.715	42.017
4	1.038	6.486	48.503

Extraction Method: Principal Component Analysis.

Table 2.2
Total Variance Explained after Rotation (Approach Factors)

Component	Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %
1	2.437	15.233	15.233
2	2.011	12.569	27.803
3	1.846	11.540	39.343
4	1.466	9.160	48.503

Extraction Method: Principal Component Analysis.

Rotated Principal Component Loadings

The variance explained by each factor of both Challenges and Approaches, which emerged from PCA, both individually and cumulatively, has been pictorially represented in the above table 1.2 (Challenges) and 2.2 (Approaches). For each item, only the 'primary' loading is presented (that is the greatest loading from the item across the factors), and only items with primary loading on factors 1 through 5 (Challenges) and factors 1 through 4 (Approaches) are included.

Summary of Factor Analysis of 21 Item Questionnaire on Leadership Challenges in a Multi-Cultural Environment

<i>Item No.</i>	<i>Factors</i>	<i>Factor Loading</i>
	FACTOR I - Influence of Culture on Individual Interpretation	
19	The interpretation of individual team members about the agreement reached in relation to work towards each other depends on their cultural practices.(agreement being explicit in nature)	.792
18	The interpretation of individual team members about the level of commitment towards each other depends on their cultural practices. (commitment being implicit in nature)	.780
21	There exists lack of commonality in terms of culture amongst members, which shall also result in isolation of member(s).	.694
17	Being a multi-cultural team, some of my team members often consider the discussions of the meeting as final decisions.	.654
26	It is difficult to motivate team members who have strong family bondage.	.598
16	My team members very well understand and recognise that words with double meaning originate due to differences in the social systems.	.538
11	Non-commonality of language results into a challenge for multi-cultural teams.	.440
	FACTOR II - Discrimination on basis of Personal Factors (Religion, Ethnicity, Age, Gender)	
	My team members do not “DIFFERENTIATE” in case of the following in so far the team is concerned:	
7.2	Religion	.852
7.3	Ethnicity	.800
7.4	Age	.797
7.1	Gender	.784
	FACTOR III - Language & Accent Problems	
13	Language difference often poses the threat of conveying indirect messages and discrimination to other team members.	.779
15	A negative reaction to the accent of any team member by others is a common challenge in multi-cultural team.	.772

contd. table

<i>Item No.</i>	<i>Factors</i>	<i>Factor Loading</i>
	FACTOR IV - Religion & Nationality Bias	
23.1	When there is difference of opinion within my team, it could be due to Religion.	.793
23.3	When there is difference of opinion within my team, it could be due to Nationality.	.669
	FACTOR V - Ethnicity & Gender Bias	
23.4	When there is difference of opinion within my team, it could be due to Gender.	.745
23.2	When there is difference of opinion within my team, it could be due to Ethnicity.	.438
25	Members of my group rarely demonstrate their religious affiliation.	.414

Interpretation of Principal Components (Challenges)

Of the 21 variables (Challenge statements) 18 have been grouped into 5 components. The table above gives the list of variables (items), the factors and their name. The item number is the number given to that item in the questionnaire. Against each item the factor loading is also mentioned. The minimum loading is 0.414 and the maximum is 0.852.

The Factor one explains 22.9 percent of the variance. This factor consists of 7 variables and is named as 'influence of culture on individual interpretation', as the variables that go into making the factor are primarily related to cultural influences that helps an individual to make interpretations related to other team members understanding about commitment towards the team, difference in social systems, non-existence of commonality among team members.

The second Factor accounting for 12.9 percent of variation is labeled as 'personal factors' as it is based on four variables on personal aspect of team members as to how do they perceive differentiation among team members on the basis of gender, religion, ethnicity and age factors.

The third Factor explains 7.5 percent of variation. As these variables focus on semantic barriers and challenges arising out of wrong interpretations and misunderstanding of communication due to differences in language and accent of the members in a multi-culture team, this factor is named as 'language and accent problems'.

The variables in Factor four focuses on religion and nationality based differences amongst the team members, here the difference being in the nature of opinion of

the team members about any topic or issue. Hence it has been labeled as 'religion and nationality bias'. The factor accounts for 5.8 percent of variation.

Factor five is labeled as 'ethnicity and gender bias' and this is again identical to that of 'religion and nationality bias'. The factor accounts for 5.3 percent of variation, and it focuses again on the difference in opinion between team members on the basis of ethnic and gender differences among them.

The factors are appropriately named as follows;

Challenge Factors

Factor 1 – Influence of Culture on Individual Interpretation

Factor 2 – Discrimination on basis of Personal Factors (Religion, Ethnicity, Age, Gender)

Factor 3 – Language and Accent Problems

Factor 4 – Religion and Nationality Bias

Factor 5 – Ethnicity and Gender Bias

Jackson and Trochim (2002) had found out five factors that showed the challenges of multi-culture teams. Similarly, the current study has identified five factors of which four challenge factors fall in line with that of the dimensions stated by Jackson and Trochim. One additional factor that came up in this study is the factor 1, 'influence of culture on individual interpretation' of the team members.

Summary of Factor Analysis of 18 Item Questionnaire on Leadership Approaches in a Multi-Cultural Environment

<i>Item No.</i>	<i>Factors</i>	<i>Factor Loading</i>
	FACTOR I – Developing system through Norms & Policies	
33	A leader of multi-culture team [which is self-managed] surfaces only when the team fails to resolve any specific problem.	.784
32	A multi-culture team is more of a self-managing team.	.686
30	The multi-culture environment requires a manager to create certain benchmarks of norms and policies for the team to function effectively.	.634
31	These norms and policies shall also help in integrating the team members for developing a unique team culture.	.546
29	Such awareness of challenges helps me in developing an appropriate system, which shall prevent the development of these challenges itself.	.413

contd. table

<i>Item No.</i>	<i>Factors</i>	<i>Factor Loading</i>
FACTOR II – Power Distance & Motivation		
2	I talk to my subordinates about their problems and motivate them to overcome by sharing the possible solutions.	.723
1	I welcome the disagreements of my subordinates on any given issue and promote free communication of their opinion.	.689
8	My team has faith in practicing free interaction within team members, each respecting others feelings, competence and sense of judgement.	.586
27	I understand and appreciate the cultural differences of members of my team.	.424
FACTOR III – Encouraging Individual Participation		
20	In the event of mismatch of interpretation of team members about the level of commitment towards each other, I encourage team members to sort it out for themselves.	.755
24	In the event of difference of opinion, I have a belief that majority opinion is final.	.688
6	When there is disregard for accepted authority-relationship, I enquire the reason for such behaviour.	.488
FACTOR IV – Respecting Individuality & Trust Building		
10	It is necessary for a manager to create policies for reducing the feeling of pre-existing hatred and distrust between team members.	.760
9	I believe that every team should practice and learn to respect the individual differences of its members. (sex, age, ethnicity, race, religion, etc.)	.505
4	I like to share my leadership authority with my subordinates by delegating a part of my work to them.	.489

Interpretation of Principal Components (Approaches)

Of the 18 variables (statements) 15 have been grouped in 4 components. The table above gives the list of variables (items), the factors and their name. The item number is the number given to that item in the questionnaire. The factor loading is mentioned against each item. The minimum loading is 0.413 and the maximum is 0.784.

Factor one explains 24 percent of the variance. It consists of 5 variables and is named as 'developing system through norms and policies', as for a cross-cultural

manager it is very important to take a pro-active approach in order to control the challenges from arising, which could be possible by developing an appropriate system of functioning for the team. Such a system shall be framed using the best practices, norms and policies that are taken as benchmarks, while forming the team itself.

The variables in Factor two focus on the power distance practices of the managers. In a multicultural set up, the power distance plays a vital role in enhancing the motivation level of the team members. Hence, it has been labeled as 'power distance and motivation'. The factor accounts for 10.2 percent of variation.

The third Factor explains 7.7 percent of variation. As these variables focus on the practice of involvement of every team member and allowing them to interact freely with each other in order to sort out their misinterpretations. This factor is thus labeled as 'encouraging individual participation'.

Factor four is labeled as 'respecting individuality and trust building'. Every manager of a multicultural team must create policies for the effective functioning of his team as it will reduce the pre-existing notions and mindset of team members about other members in the team who come from a different culture. The team members should be encouraged to practice and learn to respect the individuality of every member, which will also help them to trust each other. The factor accounts for 6.4 percent of variation.

Approach Factors

Factor 1 –Developing systems through Norms and Policies

Factor 2 – Power Distance Practices and Motivation

Factor 3 – Encouraging Individual Participation

Factor 4 – Respecting Individuality and Trust Building

ROLE OF ETHNICITY IN PERCEPTION

For the purpose of understanding the role of ethnicity towards the difference in perception of Asian and Non-Asian managers about the challenges and approaches, independent samples t-test is carried out.

Significance of difference in challenge perceptions between Asian and Non-Asian managers

<i>Perception</i>	<i>Groups</i>	<i>Mean</i>	<i>Std. Deviation</i>	<i>t value</i>	<i>p value</i>	<i>Inference</i>
Influence of Culture on Individual Interpretation	Asian	26.44	4.22	-1.141	0.255	Not Significant
	Non-Asian	26.96	4.13			
Discrimination - Personal Factors	Asian	16.42	2.36	1.530	0.128	Not Significant
	Non-Asian	16.02	2.38			
Language & Accent Problems	Asian	7.38	1.37	1.694	0.092	Not Significant
	Non-Asian	7.11	1.49			
Religion & Nationality Bias	Asian	6.79	0.77	-1.078	0.282	Not Significant
	Non-Asian	6.87	0.75			
Ethnicity & Gender Bias	Asian	11.07	1.07	-0.481	0.631	Not Significant
	Non-Asian	11.12	1.01			

From the table it may be noted that between Asian and Non-Asian managers there is no significant difference not only in total challenge perception, but also in each of its dimensions (challenge factors). The reason behind such non-significance could be related to the idea that globally the managers (east and west) in multi-culture environment perceive the challenges with a standard view.

Significance of difference in approach perceptions between Asian and Non-Asian managers

<i>Perception</i>	<i>Groups</i>	<i>Mean</i>	<i>Std. Deviation</i>	<i>t value</i>	<i>p value</i>	<i>Inference</i>
Developing System - Norms & Policies	Asian	20.64	2.11	2.038	0.043	Significant
	Non-Asian	20.09	2.59			
Power Distance & Motivation	Asian	17.07	1.64	-0.548	0.584	Not Significant
	Non-Asian	17.16	1.60			
Encouraging Individual Participation	Asian	12.07	1.81	0.705	0.482	Not Significant
	Non-Asian	11.93	1.86			
Respecting Individuality & Trust Building	Asian	12.33	1.27	-1.010	0.314	Not Significant
	Non-Asian	12.48	1.28			

In the above table, between Asian and Non-Asian managers there is no significant difference in total approach perception. However, in the case of approach dimension (Factors), there is significant difference in 'Developing System through Norms & Policies' approach only, where the $p = 0.043$. Such a significant difference between Asian and Non-Asian managers could be because of their varied methods to address the challenges. Asians have the practice of discussing problems in groups and arriving at solutions, whereas, managers from west approach a problem directly and quickly without much emotional fuss over the issue (Chalre Associates, 2013). Asian countries have the culture of practicing high uncertainty avoidance, but in west the managers strongly believe in flexibility and instant approach to the problems (Hofstede, 1988).

Thus, the independent samples t-test performed to ascertain the difference in perception of challenges and approaches between Asian and Non-Asian managers reveals that there is no significant difference in the perception of challenges. However, there is a significant difference seen in perception of these groups of managers in case of approach dimension 'developing system through norms and policies'.

CONCLUSION

The analysis made for the present study clearly reflects that the cross-culture managers (Asian and Non-Asian, globally) perceive the challenges of such an environment in the same way, but their approach towards handling critical situations greatly differs in terms of spontaneity or reflex. If one looks deeper into the very approach of 'developing systems through norms and policies', it can also turn out to be a challenge for Non-Asian managers functioning in eastern part of the globe; and Asian managers functioning in west. This can provide a platform for further research in the present field of cross-culture leadership.

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