

Contextual Factors That Impact Leadership Practices In Cross-Cultural Settings: An Egyptian Case Study

Asmaa M.S. Ibrahim

Maastricht School of Management, MSM, Endepolsdomein 150, 6229 EP Maastricht, Netherlands

E-mail: asmaa.salah1980@gmail.com

Abstract

This paper explores the contextual factors, other than culture, that affect the implementation of companies' leadership competencies models, in cross-cultural settings. The study employs qualitative case study, using semi-structured interviews. Two-case studies were conducted to reach more comprehensive findings. Based on the research findings, leaders' personality and national culture, subordinates' level of experience, the host-country situation, the company's strategy, and the nature of the company's departments may cause variance in leaders' practices. However the overall variance in leader's practices between the company's different offices may decrease due to the company's culture of origin as and the company's cross-cultural experience. Thus, companies operating in cross-cultural settings should consider such factors when developing and customizing their leadership model to reach a sound cultural fit. Based on research findings the paper proposes a model that needs to be tested in further research work.

This study was conducted only on two multinational companies from the same origin and operating in the same host-country. Thus, further research work should be conducted on companies from other origins to generalize findings. This research is among the few studies that address the contextual factors, other than culture, that impact the implementation of companies' leadership practices in cross-cultural settings. It is also among the few studies that investigates Egyptian business environment in cross-cultural settings.

Keywords: leadership, contextual factors, national culture, multinational companies, Egypt

1. Introduction

Many researches lack the deep analysis of the context of leadership. Most of researches addressed the impact of national culture on leadership with little reference to other contextual factors that impact leaders' practices (Jepson 2009). Based on this, the main objective of the current study is to explore the contextual factors, other than culture, that impact the effective implementation of companies' leadership models and managers' practices.

This research is conducted on two of the top companies in leadership field that operate in Egypt. Such companies developed a sound leadership approach that fit into different host-countries national cultural aspects. Thus, this study presents an example of the contextual factors that impact the implementation of the companies' sound leadership models.

Since that the researcher is interested in participants' view, the qualitative approach guided the process of data collection, analysis, report writing, and other phases in the research process.

2. Review of literature

2.1 Cross-Cultural Settings and Issues

Cross-cultural issues appear where people from different cultures act and interact together (Morrison 2000). One good example is employees working in multinational companies' subsidiaries (Suutari 1996b), who deal with managers, peers, and subordinates from different cultures. From a cultural prospective, the best leadership style depends on followers' national cultural values and norms (Hofstede 1980). National culture is a major factor which has a significant effect on the company leadership practices, and its performance (Lau & Ngo 1996; Jing & Avery 2008). They impact work-relationship which in turn affects employees' performance. For example in "diffuse cultures", identified by Trompenaars and Hampden-Turner (1998), employees believe that leaders-subordinates relationship affects subordinates' performance. While in "specific cultures" employees' performance governs the quality of leaders-subordinates relationship (Trompenaars & Hampden-Turner 1998, 83). Also, in collectivistic cultures, identified by Hofstede, employees value leadership practices that consider nurturing socialization and developing healthy relationships among colleagues. This helps in improving employee's performance (Trompenaars & Hampden-Turner 1998, 83; Goleman 2000). Also, in femininity cultures employees need leaders who focus on individual's consideration practices (Suutari 1996a ; Harris &

Carr 2008). Giving individualized consideration to subordinates increases employees' sense of security, motivation, satisfaction, and consequently performance (Goleman 2000).

Thus, multinational companies' leadership approaches and practices should be consistent with the host-country norms and values shared and internalized by the members working in multinational companies' subsidiaries (Suutari 1996a; Kirca et al. 2009).

2.2 Contextual Factors Other than Culture

However, in addition to culture, there are further contextual factors that impact the effectiveness of leadership practices and approaches (Luthans 2005, 581; Zhu 2007; Jepson 2009). For example, leaders' communication skills impact the effectiveness of the authoritative leadership practices. Such practices focus on creating a clear picture of the future, motivating subordinates, and providing clear standards of success and rewards. Further, employees' willingness to change and learn impact the effectiveness of coaching leadership practices. Also, leaders' ability to assess subordinates' weaknesses and strengths, and leaders' ability to provide timely feedback impact the effectiveness of coaching leadership practices. Moreover, employees' qualifications and experience impacts the effective implementation of democratic leadership practices. Furthermore, the pacesetter leadership style is effective only when employees are self-motivated and need little directions and guidance. This is important when leaders mostly set high standards for performance and give little directions and feedback (Goleman 2000). The paternalistic leadership style, by which leaders expect obedience and respect of the team members, is effective only when followers are dependent on being led (De Bono et al. 2008, 20). Besides, paternalistic leadership style is highly effective in crisis time (Goleman 2000). Also, the affiliative leadership style, where leaders focus on creating and maintaining harmony in the workplace, is more effective when the company is facing problems in communication, or when there is a high level of workplace stress (Goleman 2000).

Most of researches addressed that the leader, the follower, and the situation affect leadership practices without presenting more deep analysis (Jepson 2009). As proposed by Jepson (2009) such factors should be classified under the immediate social context such as the group, the hierarchy, the job, the technology, the department, the organization, and the industry; the general cultural context such as the organizational culture and national culture; and the historical and institutional context such as history, education, regulations, and socialization.

Unfortunately, few researches presented deep analysis of the context of leadership (Jepson 2009). Even cross-cultural studies focused mostly on cultural aspects that impact leadership practices, or leadership practices in cultural context with little reference to other contextual factors. Based on this the researcher formulated the following working proposition:

- The effectiveness of multinational companies' approach to cross-cultural leadership differs based on contextual factors, other than culture.

2.3 Contextual Factors Highlighted In Cross-Cultural Literature

Researchers, such as Suutari, Van Oudenhoven, and Scandura and Dorfman (the GLOBE Project researchers), presented different frameworks addressing leadership in cross cultural settings. Yet, Van Oudenhoven (2001) was the only one who clearly focused on contextual factors other than culture. The researcher highlighted that gender, age, and working experience are the most relevant factors. Van Oudenhoven (2001) work depended on using statements that reflect on leaders' practices as a stimulus to discover aspects relevant to culture. His work focused on cultural dimensions identified by Hofstede. He used short questionnaire in order to increase response. This resembles a difficulty in assessing the reliability of the research instrument.

3. Methodology

Two case studies were conducted using replication logic (see Yin 2003, 46; Payne et al. 2007). The first case study was conducted as a pilot study with the objective of exploring the factors and creating a clear picture. The second case study was conducted with the objective of testing the validity of the first case study's findings. Further, a cross-cases comparison between both case studies was conducted to present more comprehensive findings and highlight discrepancies.

3.1 Data Gathering

The researcher conducted semi-structured interviews that lasted for thirty minutes minimum and two hours maximum. Having a structure for interviews helped the researcher in directing participants, since Egyptians tend to prefer more structured settings (see Leat & El-Kot 2007). The researcher conducted face-to-face interviews with Egyptian employees. Other foreign managers were not included so as to exclude other moderating

variables, as their opinion may be affected by their home country national cultures. (See Interview questions in the Appendix)

3.2 Sampling Procedure and Sample Size

Instead of focusing only on managers' perception this study intended to include employees working along all the organizational hierarchy (see Suutari & Tahvanainen 2002; Jepson 2009). Thus, "purposive sampling" was employed to make sure that participants are from different categories (see Creswell 1994, 148; Silverman 2000, 104). The sample included Egyptian managers and their subordinates in different business units/functions, along the hierarchy. The first case study included eighteen interviews which count for sixty percent of employees. The study conducted interviews with seven top managers, seven middle managers, and four subordinates. The research covered ninety percent of the company business units and fifty percent of its functions.

The second case study included thirty five interviews which count to forty percent of employees. The study conducted interviews with eight top managers, ten middle managers, and seventeen subordinates. The research was conducted on eighty seven percent of the business units. The researcher conducted about an equal percentage of interviews in each job level.

It is important to mention that only employees who were interested and willing to participate were included in the study (see Ghosh & Chakraborty 2008). Participants were both males and females with years of experience that ranged from twelve years to almost two years. All participants were university graduates and some of them pursued master and doctorate degrees. The researcher did not identify participants based on their years of experience, department, or gender so as to maintain anonymity.

3.3 Data Recording and Interviews Transcribing and Coding

The researcher transcribed the interview dialogue on the data recording protocol that was designed based on Creswell's (1994, 152) guidelines (See Table 1: data recording protocol). Then the researcher sent the transcripts of interviews to participants, by email, to get their feedback on how their statements were recorded.

Further, interviews were coded and processed. First interviews' answers were coded based on participants (see Table 2: example of coding participants: case study I and Table 3: example of coding participants: case study II). Second, further the coded answers were grouped based on the interview questions. Third, the findings were processed based on interview analysis techniques and case study analysis technique.

3.3.1 Interview analysis techniques

Three techniques to analyze interviews were employed. Categorization of meaning was employed to help in presenting the different categories that were highlighted based on interviewees' own words, regardless of the percentage of participants who confirm or disagree with them. Condensation of meaning was employed in order to reduce the large interview texts into succinct statements (see Kvale 1996, 192). Structuring of meaning through narratives was employed to condense and reconstruct the different stories told by the different interviewees to reach a more comprehensive story, rather than depending on scattered stories highlighted by each single interviewee (see Kvale 1996, 199).

The outputs of the analysis approach were presented in tables. The tables present participants' quotes, the main points and categories which their statements reflect, and a comprehensive description for all quotes. Each quote is preceded by the code of the participant who mentioned the statement. This helps the reader in tracing the different statements that any participant mentioned, while maintaining anonymity as agreed with them. For this reason, the whole typical interviews were not displayed or presented in the paper. However, they are ready to be submitted if requested (See Table 4: Sample of Case Study I findings and analysis and Table 5: Sample of Case Study II findings and analysis)

3.3.2 Case study analysis technique

Cross-case synthesis technique was employed to help in identifying and clarifying the unique patterns of each case study and reaching a comprehended generalizable pattern across both cases (see Huberman & Miles 2002, 18). The cross-cases findings were conducted through referring to the constructed tables that display the data for each case study to identify the similarities and differences between both cases (See Table 4: Sample of Case Study I findings and analysis and Table 5: Sample of Case Study II findings and analysis). The cross-cases discussion depended on argumentative interpretation rather than statistical one (see Yin 2003, 137). The cross-cases analysis is presented in the main report. Further, a sample of each of the cases studies' findings are presented in the appendix (see Yin 2003, 116).

3.4 Data Verification

The researcher focused on establishing and maintaining the study validity, credibility, reliability and transferability. To establish validity, two-case studies were conducted to reach more robust findings (Yin 2003, 46; Payne et al. 2007). To maintain credibility, member checks were also performed. The researcher sought respondents' feedback about the credibility of data collected, interpretation, and conclusion to ensure verification (Yin 1981; Creswell 1998, 213; Maxwell 2005, 110). Also, to maintain reliability the researcher used data recording protocol during data collection (see See Table1: data recording protocol). To maintain transferability, the researcher described in details the settings of the study (Creswell 1998, 203).The researcher explicitly outlined the different steps of the analysis process. Thus, "the readers could retrace and check the steps of the analysis" (Kvale 1996, 209).

4. Cross-Cases Findings' Analysis

This section presents the main categories that were discussed by participants. The researcher presents such categories based on both case studies, supported by some participants' quotes. In the appendix the researcher presents participants' quotes; the categories developed based on such quotes; and the researcher description and interpretation for the categories developed based on participants' quotes for each case study individually(See Table 4: Sample of Case Study I findings and analysis and Table 5: Sample of Case Study II findings and analysis). Such findings were stimulated by interview questions regarding factors leading to effective or ineffective management of leadership approach.

4.1 Leaders' personality and national culture

Leadership practices may differ based on leaders' personality and national culture. They affect leaders' attitudes towards the degree of micro-management/macro-management, involving employees in decision making, providing guidelines, focusing on achievements/human relationships, managing conflicts, accepting socialization at workplace, focusing on individuals' development, and maintaining team spirit.

As mentioned by one of the first case study's participants, "It varies from one leader to the other. Some of them expect total compliance to orders, while others accept discussion and reaching better agreements." Another participant mentioned that "Emphasizing on achievements and/or human relationship depends on the leader's nature." Also, as mentioned by one of the second case study's participants, "In Egypt managers tend to micro-manage while in other offices employees are macro managed."

4.2 Subordinates

Leaders' practices differ based on subordinates' experience and subordinates' personality. They affect the degree of macro-management and the degree of involving employees in the decision making process. The degree of macro-managing employees differs based on employee's level of experience and personality. Less experienced employees need more close directions and supervision. The degree of providing guidelines differs based on employees' experience. New comers need more comprehensive orientations than existing employees. Also some employees prefer close supervision with minimal level of autonomy. Also, leaders tend to consult higher experience employees and involve them in decision making more.

As mentioned by one of the first case study's participants, "This depends on [...] the subordinate experience level. New comers and employees who are rotated from one business unit to the other are closely supervised and advised to strictly follow the objective, and methodology." Also, as mentioned by one of the second case study's participants, "It depends on the followers' personalities. Even within the same team the leader tends to be directive with some of them and consultative with the others."

4.3 The host- country situation.

Leaders' practices may differ based on the host-country situation. For example, the country instability affects leaders' ability to maintain transparency and update employees with the company situation and upcoming trends. Such issues tend to be less clear and almost on short-term bases. Further leaders focus more on imposing rules and providing more clarifications in critical situations. Also, leaders' focus on developing employees and providing training may differ based on the economic situation of the external environment.

This was mainly highlighted by the first case study's participants. One of the participants mentioned that, "It depends on the situation; normal circumstances versus critical situations and crisis, as how things are going on now in Egypt. As the more critical the situation is the more rules and clarifications are needed." Another participants highlighted that "The focus on offering developments sessions tends to be quite less as more external restrictions are occurring."

4.4 The company strategy and departments nature

Leadership practices may vary based on the company strategy as well as the nature of its departments. The company strategy may affect the employees' development process, mainly through trainings. Also, the more the company focuses on growth, the more its leaders encourage innovation. Further, the nature of department affects leaders' attitude towards involving employees in decision making and centralization.

As mentioned by one of the first case study's participants, "The more [the company] moves toward performance and growth, the more they focus on leadership training." Also, as mentioned by one of the second case study's participants, "In the Auditing function, employees have to follow the exact order just as military. Its team spirit is high as people share what they learn with each other. Leaders usually consult employees however still decision is centralized."

4.5 The company cross-cultural experience and national culture

The company cross-cultural experience and culture of origin help in maintaining the company overall leadership practices. The flexibility of the company leadership approach is mainly due to the flexibility of the company's national origin. This decreases variance in leadership practices through developing comprehensive leadership approach. Thus, the leadership practices may not differ much from country to the other.

As mentioned by one of the first case study's participants, "[The company's] attributes consider all cultural differences. The flexibility of the attributes may be due to the nature of [the company] American origin, which tends to be flexible, along with [the company] wide experience as it operates in different places in the world." Also, as mentioned by one of the second case study's participants, "[The company] has a wide experience, this experience helped in setting comprehensive policies. Such policies highly consider cultural differences."

5. Discussion

This section first, tackles the research main objective. Second, it compares findings to literature. Third, it revisits the study working proposition. Fourth, it proposes a model to be employed in further studies.

This paper mainly inquires about the main factors that impact the effective implementation of companies' sound leadership approach and practices. Based on research findings, there are some factors that lead to variances in leaders' practices and others that help in decreasing differences between them. Leaders' personality and national culture, subordinates' experience, the host- country situation, and the company strategy and nature of the company's departments may cause variance in leadership practices among different leaders. This is supported in literature as leadership is subject to the leader, the followers, and situation (Luthans 2005, 581; De Bono et al. 2008, 20). Leader's personality as well as their national culture affects their preferred way of carrying out tasks and achieving goals. This consequently determines how subordinates carry out their work (Byrne & Bradley 2007). Further, followers' nature affects leaders' practices. Some followers tend to be dependent on being lead. Such type of subordinates requires different leadership practices than other peers (De Bono et al. 2008, 21). Moreover, the situation may require specific leadership practices. For example, leaders may temporarily focus on requesting compliance and following orders when the company faces external pressures (Goleman 2000). Also, external environment has a great effect on the stability and clarity of its rules and regulations (Karp consulting group 2003).

On the other hand, the company's cross-cultural experience and its culture of origin help in maintaining the general leadership model of the company. This is even supported in literature as the company organizational culture, which is mainly affected by its nationality (Kirca et al. 2009), affects its leadership practices in its different offices in different countries (Lau & Ngo 1996). Also, the degree of cross-cultural experience affects their approach. Companies operating in different cultures tend to have more experience and appreciation for the cultural impact on its business success (Javidan et al. 2006).

Applying Jepsens' (2009) model for contextual factors on the current study findings, the researcher proposes that subordinate level of experience and the nature of business and departments may be classified under the immediate social context. The company strategy may be classified under the general cultural context. The leaders' personality and national culture and the host-country situation may be classified under the historical, institutional context.

The study main working proposition states that, the effectiveness of multinational companies' approach to cross-cultural leadership differs based on contextual factors, other than culture. Based on findings, the researcher believes that this working proposition is partially valid. Both case studies confirmed that there are contextual factors, other than culture, that affect the effectiveness of fitting leadership practices into cultural aspects and

concerns. However, both case studies also agreed that there are some factors that help in decreasing differences between leadership practices in the company's different offices.

Thus, the working proposition should be restated as follows: there are some factors that cause variances in leadership practices while others that help in decreasing differences between leadership practices in the company's different offices. Further this working proposition should be supported with two minor working propositions. The first one states that the implementation of leadership practices differ based on contextual factors, other than culture. The second one states that the company's cross-cultural experience and culture of origin help in maintaining its leadership model and approach.

However it is important to report that both cases presented such factors from different prospective. Also, the host country situation was only highlighted in the first case study.

In reference to Jepsons (2009) model for contextual factor, and based on the current study's findings, the research proposes a model that needs to be tested in further research work. This model focus on the cultural aspects associated in workplace based on Suutari (1996a), the leadership practices associated with national culture based on Van Oudenhoven (2001), and the contextual factors based on Jepsons (2009). This model considers the cultural aspects associated in workplace as the main independent variables, the leadership practices associated with national culture as the main dependent variables, while considering the contextual factors that impact with leaders' practices as the moderating factors. (See Figure1: proposed model)

6. Implications

This research emphasizes that there are some factors that cause variances in leadership practices while others that help in decreasing differences between leadership practices in the company's different offices. Thus, companies, especially those operating in cross-cultural settings, should customize their own leadership model rather than accept any existing model. This model should consider the contextual factors in addition to the host-country culture, to reach a sound cultural fit.

This research explored the contextual factors that impact the implementation of leadership practices in specific context. Based on findings, the research proposes a model that needs to be tested in further research work. Further researches may focus on the degree of impact of each factor on the different cultural dimensions and leadership practices (see Jepson 2009).

6. Limitations and recommendations

This research presented a deep analysis for the contextual factors affecting leadership practices. However it did not assess whether some factors exert a greater influence over leadership practice than others (see Jepson 2009). Further the study was only conducted on two multinational companies from the same origin, similar industries, in a specific cultural context to maintain a context for the study.

Moreover, the host country situation was only highlighted in the first case study. Thus, further studies need to be conducted on different companies from other origins to reach more generalizable results. Also, further studies should be conducted to assess whether some contexts exert a greater influence over leadership practice than others (see Jepson 2009).

Appendix

Interview questions

- Opening questions.
 - Can an organization succeed even with an ineffective leadership? Under what condition
 - What does good/successful leadership look like? Would you please give an example?
 - Can an organization fail even with an effective leadership? Under what condition
 - What does poor/unsuccessful leadership look like? Would you please give an example?
- Factors leading to effective or ineffective management of leadership approach.
 - Do you think that the leadership style (activities and practice) in Egyptian subsidiary is adjusted to fit into the Egyptian culture (i.e., beliefs, expectations, ideas, values, attitudes and behavior)? How? Would you please give examples?
 - Would you please give examples of successful attempts?
 - Would you please give examples of ineffective attempts?

References

- Byrne, G., & Bradley, F. (2007). Culture's influence on leadership efficiency: How personal and national cultures affect leadership style. *Journal of Business Research*, 60(2), 168–175. DOI: 10.1016/j.jbusres.2006.10.015
- Creswell, JW. (1994). *Research design: qualitative, quantitative Approaches*, 2nd edn, Thousand Oaks, Calif. : Sage Publications.
- Creswell, JW. (1998). *Qualitative inquiry and research design: choosing among five traditions* (2 ed.). Thousand Oaks: Sage Publications.
- DeBono, S., Jones, S., & Van der Heijden, B. (Eds.). (2008). *Managing cultural diversity*. Oxford: Meyer & Meyer Media (UK) Ltd.
- Ghosh, S., & Chakraborty, S. (2008). Emotional intelligence: the next step in Knowledge process outsourcing. *Vision: The Journal of Business Perspective*, 12(1), 19-30. DOI: 10.1177/097226290801200104
- Goleman, D. (2000). Leadership that gets results. *Harvard business review*, 78(2), 78-90.
- Harris, S., & Carr, C. (2008). National cultural values and the purpose of businesses. *International Business Review*, 17(1), 103–117. DOI: 10.1016/j.ibusrev.2007.08.002
- Hofstede, G. (1980). Motivation, leadership, and organization: do American theories apply abroad? *Organizational Dynamics*, 9(1), 42-63. DOI: 10.1016/0090-2616(80)90013-3
- Huberman, & Miles. (2002). *The qualitative researcher's companion*. Thousand Oaks: Sage Publication, Inc.
- Javidan, M., Dorfman, P., & House, R. (2006). In the eye of the beholder: cross cultural lessons in leadership from project GLOBE. *Academy of Management Perspectives*, 20(1), 67-90. DOI: 10.5465/AMP.2006.19873410
- Jepson, D. (2009). Leadership context: the importance of departments. *Leadership & Organization Development Journal*, 30(1), 36-52. DOI: 10.1108/01437730910927098
- Jing, & Avery. (2008). Missing links in understanding the relationship between leadership and organizational performance. *International Business and Economics Research Journal*, 7(5), 67-78.
- Karp Consulting Group, Inc. (2003). *Improving Egyptian business' competitiveness: A survey of best practices*. Report by USAID. July 16.
- Kirca, A., Cavusgil, T., & Hult, T. (2009). The effects of national culture on market orientation: Conceptual framework and research propositions. *International Business Review*, 18(2), 111–118. DOI: 10.1016/j.ibusrev.2009.02.003
- Kvale, S. (1996). *Interviews: an introduction to qualitative research interviewing*. Thousand Oaks: SagePublications.
- Lau, C., & Ngo, H. (1996). One country many cultures: organizational cultures of firms of different country origins. *International Business Review*, 5(2), 469-486. DOI: 10.1016/0969-5931(96)00022-4
- Leat, M., & El-Kot, G. (2007). HRM practices in Egypt: the influence of national context? *International Journal of Human Resource Management*, 18(1), 147-158. DOI: 10.1080/09585190601068557
- Luthans, F. (2005). *Organizational behavior* (10 ed.). New York: McGraw-Hill Irwin.
- Maxwell, J. (2005). *Qualitative research design: an interactive approach* (2 ed.). Thousand Oaks: Sage Publications.
- Morrison, A. (2000). Developing a global leadership model. *Human Resource Management*, 39(2), 117–131. DOI: 10.1002/1099-050X(200022/23)39:2/3<117::AID-HRM3>3.0.CO;2-1

Payne, S., Field, D., Rolls, L., Hawker, S., & Kerr, C. (2007). Case study research methods in end-of-life care: reflections on three studies. *Journal of Advanced Nursing*, 58(3), 236-245. DOI: 10.1111/j.1365-2648.2007.04215.x

Silverman, D. (2000). *Doing qualitative research: a practical handbook*. Thousand Oaks: Calif. : SAGE.

Suutari, V. (1996. a). Leadership ideologies among European managers: a comparative survey in a multinational company. *Scandinavian Journal of Management*, 12(4), 389–409. DOI: 10.1016/S0956-5221(96)00017-6

Suutari, V. (1996. b). Variation in the average leadership behaviour of managers across countries: Finnish expatriates' experiences from Germany, Sweden, France and Great Britain. *The International Journal of Human Resource Management* , 7 (3), 677-707. DOI: 10.1080/09585199600000150

Suutari, V., & Riusala, K. (2001). Leadership styles in Central Eastern Europe: Experiences of Finnish expatriates in the Czech Republic, Hungary and Poland. *Scandinavian Journal of Management* , 17 (2), 249–280. DOI: 10.1016/S0956-5221(99)00037-8

Suutari, V., & Tahvanainen, M. (2002). The antecedents of performance management among Finnish expatriates. *The International Journal of Human Resource Management*, 13(1), 55-75. DOI: 10.1080/09585190110092794

Trompenaars, F., & Hampden-Turner. (1998). *Riding the waves of culture: understanding diversity in global business* (2 ed.). New York: McGraw-Hill.

Van Oudenhoven, J. (2001). Do organizations reflect national cultures? A 10-nation study. *International Journal of Intercultural Relations*, 25(1), 89-107. DOI: 10.1016/S0147-1767(00)00044-4

Yin, R. (1981). The case study crisis: some answers. *Administrative Science Quarterly*, 26(1), 58-65.

Yin, R. (2003). *Case study research: design and methods* (3 ed.). Thousand Oaks, Calif: Sage Publications.

Zhu, Y. (2007). Do cultural values shape employee receptivity to leadership styles? *Academy of Management Perspectives*, 21(3), 89-90. DOI: 10.5465/AMP.2007.26421244

Tables

Table 1: Data recording protocol

| Case #. # | | | Interview # | | |
|--|------|--------------|----------------|--------------------|--|
| Date | Time | Company name | Informant name | Informant Position | Informant years of experience in the company |
| Instructions to the interviewer | | | | | |
| Research question | | | | | |
| Other points added to discussion | | | | | |
| Reflective notes | | | | | |
| Other comments or Suggestions added by informant | | | | | |

Table 2: Example of coding participants: Case Study I

| Case study I Employees': codes based on position rank | | | | | | | |
|---|------|------|-------|-------|------|------|------|
| TL | TL1 | TL2 | TL3 | TL4 | TL5 | TL6 | TL7 |
| Sup | Sup1 | Sup2 | Sup3 | Sup4 | Sup5 | Sup6 | Sup7 |
| Sub | Sub1 | Sub2 | Sub 3 | Sub 4 | | | |

Table 3: Example of coding participants: Case Study II

| Case study II Employees': based on business unit and job level | | | | | | | | | | |
|--|------|------|------|------|------|------|------|------|------|-------|
| JL1 | P1.1 | P1.2 | P1.3 | P1.4 | P1.5 | | | | | |
| JL2 | P2.1 | P2.2 | P2.3 | | | | | | | |
| JL3 | P3.1 | P3.2 | P3.3 | P3.4 | P3.5 | P3.6 | P3.7 | P3.8 | P3.9 | P3.10 |
| JL4 | P4.1 | P4.2 | P4.3 | P4.4 | P4.5 | P4.6 | P4.7 | | | |
| JL5 | P5.1 | P5.2 | P5.3 | P5.4 | P5.5 | P5.6 | P5.7 | P5.8 | P5.9 | P5.10 |

Table 4: Sample of Case Study I findings and analysis

| Main points and categories | Description for all quotes | Participants quotes |
|---|--|---|
| Subordinates level of experience and nature | Macro managing employees differ based on employee's level of experience and personality. Less experienced employees need more close directions and supervision | <ul style="list-style-type: none"> TL1: This depends on the situation as well as the subordinate experience level. TL1: New comers and employees who are rotated from one business unit to the other are closely supervised and advised to strictly follow the objective, and methodology. TL1: In other cases, managers remotely supervise subordinates, while providing guidance and full support. TL1: In other cases, managers fully delegate subordinates to fully understand the task, take designs, report to managers, and provide feedback, as part of the job enrichment objectives Sup6: Some employees like direct instructions. While others don't like the micro management. Leaders check what type of employee and deal with them accordingly. [treating people based on their individual differences |
| The subsidiary country situation | Country instability pushes people to focus on short-term results. The | <ul style="list-style-type: none"> TL4: This varies based on the situation. Now companies operating in Egypt are operating under the "survival mode". Thus it tends to be a short term focus Sub4: It [short-term results and/or long-term achievement] depends on the situation |

| | | |
|---------------------|---|---|
| | more critical the situation is the more people focus on short-term issues. | |
| | The degree of formulating rules differs based on the situation. Critical situations need more clear rules and clarifications | <ul style="list-style-type: none"> • TL4: It depends on the situation; normal circumstances versus critical situations and crisis, as how things are going on now in Egypt. As the more critical the situation is the more rules are clarifications needed. [transparency is needed in critical situations] |
| | Host-country situation, such as political and economic factors affect the company practices and emphasis. For example, the company may focus less on training due to the country instability which affects the subsidiary performance and priorities. | <ul style="list-style-type: none"> • TL4: Yet, the focus on offering developments sessions tends to be quite less as more external restrictions are occurring. While such focus increases as the company increases focus more on growth plans. As the more [the company] move toward performance and growth, the more they focus on leadership training; • Sup2: Also, opportunities for leadership training and human development for headquarters may be greater than the ones offered for the Egyptian subsidiary. This basically might be due to the financial issues (crisis, cost reduction) which might negatively affect trainings opportunities. Yet, the more leadership trainings provided to employees, the better the company situation. |
| | In crisis time decisions tend to be more centralized | <ul style="list-style-type: none"> • TL3: Consultative practices help leaders understand subordinates different opinions. It also reduces subordinates resistance. However, in critical cases leaders should be directive. [centralization in crisis] • Sub2: It depends on the situation, yet in case of centralized decisions, employees get an insight about the reason for such decisions. [transparency is maintained even in critical situations- centralization increases in crisis time] |
| | | |
| Leaders personality | The level of macro management differs based on leaders | <ul style="list-style-type: none"> • TL2: The level of work autonomy varies based on the leader's style as well as the subordinate level of experience. |

| | | |
|--|---|--|
| | personality | |
| | Participation in decision making differs based on leaders personality; as some leaders tend to expect total compliance while others allow employees to provide suggestions and reach mutual agreements | <ul style="list-style-type: none"> • It varies from one leader to the other. Some of them expect total compliance to orders, while others accept discussion and reaching better agreements. Sup5: |
| | Some leaders tend to provide less or more details and guidelines based on their nature | <ul style="list-style-type: none"> • TL3: It depends on the leader. It is important to guide subordinates on how to get information needed. Also, it is important to give guidelines rather than detailed directions on how to fulfill tasks. [discrepant evidence for providing guidelines] |
| | Leadership practices may differ based on leaders' personality such as: Focus on managing conflicts and nurturing good team spirit. Tendency towards socialization and mixing between personal issues and work. Considering human aspects that affect employees' performance at | <ul style="list-style-type: none"> • TL3: It [the mixing process] depends on the leader's personality. [even if [the company] has a certain culture, or policy , still the implementation of its culture and policies are affected by the culture and personal style of the leader] • TL4: It [focus on developing employees] depends on the manager. Yet, the variance will be minimal. [because [the company] strong focus on it] • Sup1: It could differ from one leader to the other, however, the overall leadership styles are guided by [the company] policies. • Sup2: This depends on the leaders' personality. Getting results is important, yet respecting the spirit of the law, considering objectives don't contradict with considering human relationship • Sup5: Yes [managers strive to keep subordinates happy and in harmony], 80%, as this varies based on the personality of the leader and subordinates. • Sub1: Not all of them. Some leaders expect employees to put personal issues away from work, while others spend time on team building. |

| | | |
|--|---|---|
| | work Focus on human development | |
| The nature of the functions inside business units | The focus on short-term and long-term issues may differ based on the nature of functions. | <ul style="list-style-type: none"> • TL2: This depends on the function of each division inside the subsidiary; however, overall it is a mix between strategic long term achievements and tactical short term results. • Sup3: It is both [short-term (task) results and long-term achievement], and mainly depending on the function. |
| The company strategy | The focus on employees training and development decreases as the company focuses less on growth, and vice versa | <ul style="list-style-type: none"> • TL4: Yet, the focus on offering developments sessions tends to be quite less as more external restrictions are occurring. While such focus increases as the company focuses more on growth plans. As the more [the company] moves toward performance and growth, the more they focus on leadership training |
| Company national culture | Some of the participants believe that the company successfully fit into the Egyptian cultural aspects affecting workplace is due to the flexibility in the company origin | <ul style="list-style-type: none"> • TL3: Yes, as [the company] "6 Attributes" considers all cultural differences. The flexibility of the 6 attributes may be due to the nature of [the company] American origin, which tends to be flexible, along with [the company] wide experience as it operates in different places in the world. [this leads the researcher to read about [the company] model and attributes] • Sup3: The U.S is more flexible, accepting, and tolerating differences, and people in Egypt tend to value this. |
| The company cross-cultural experience and strategy | Further, the company cross-cultural experience affects its success in dealing with the employees' cultural aspects that affect workplace. | <ul style="list-style-type: none"> • TL2: The leadership styles in the headquarters and subsidiaries are quite similar due to its strong corporate culture. People in regional offices and subsidiary have the same workplace language, symbols, acronym, business terminologies and abbreviations. [the company] has an overall guideline provided by headquarter to be adapted and applied in subsidiaries • TL5: The differences are minor, as [the company] has great experience in different countries, thus their practices are flexible to suite different cultures. |

| | | |
|--|---|---|
| | <p>Thus, leadership practices may not differ much from country to the other</p> | <ul style="list-style-type: none"> • Sup1: It could differ from one leader to the other, however, the overall leadership style is guided by [the company] polices. |
|--|---|---|

Table 5: Sample of Case study II findings and analysis

| Main points and categories | Description for all quotes | Participants quotes |
|----------------------------------|---|---|
| Subordinates level of experience | Affect the level of guidance and directions provided | <ul style="list-style-type: none"> • P3.6: At the begging leaders are expected to be directive and outline what should be done clearly, and draw clear lines • P5.2: Yes, as leadership depends on not only the leader's talent but also the followers as well as the situation. For example, you may have a great talented leader, yet s/he can't affect her/his followers due to their personalities. |
| Leaders personality or origin | Leaders personality affects for example their tendency towards macro and micro managing employees | <ul style="list-style-type: none"> • P3.3: Well in Egypt managers tend to micro manage while in other offices employees are macro managed. This may be due to accountability. As in other offices accountability is clearer. • P4.4: Thus, good leadership is subject to the company work frame as well as the personality of the leaders. |
| | As the leaders' culture of origin is close to Egypt, they tend to consider human aspects more | <ul style="list-style-type: none"> • P3.7: People who are close to our culture, such as Italians, tend to provide support and consider human aspects. |
| The company strategy | As the company focuses more on growth, it tends to focus more innovation | <ul style="list-style-type: none"> • P3.4: In Egypt we are growing country; still building the market. Thus development and innovation; trying and learning are needed. |
| Nature of business or department | The nature of the department affect leaders tendency toward centralization and directive style | <ul style="list-style-type: none"> • P4.4: For example, in the Auditing function: employees have to follow the exact order just as military. Its' team spirit is high as people share what they learn with each other. Leaders usually consult employees however still decision is centralized. |
| MNC's Origin flexibility | The company origin flexibility, affects its approach to Egypt | <ul style="list-style-type: none"> • P4.6: in [the company] Egypt employees are mostly Egyptians. The hierarchy is flat, flexible, and with low power distance (we don't have to use tittles when talking to our mangers); this is mainly due to [the company's] origin American origin which is flexible. |
| Company cross | The company has clear set | <ul style="list-style-type: none"> • FM.E6: It has a great experience in helping people |

| | | |
|---------------------------|--|--|
| <p>culture experience</p> | <p>of policies that is well circulated and communicated to all employees. Each employee receives a comp of them. Such polices were set based on different aspects (one of them is the cultural aspects) in order to be comprehensive and flexible.</p> | <p>understand and deal well with different cultures.</p> <ul style="list-style-type: none"> • P3.6: [the company]highly considers the cultural aspects. For example [the company]believes in the GLOBE SMART (program). It is basically a survey that helps employees to understand the different cultures that they have to deal with. It is so interesting to understand the different cultural backgrounds and compare them. Dealing with German is totally different that dealing with Chinese, and so on. • P1.5: [the company] has a main guide called the spirit and letter this tackles how to deal with different people from different cultures and backgrounds. [The company] highly respects local laws. |
|---------------------------|--|--|

Figures

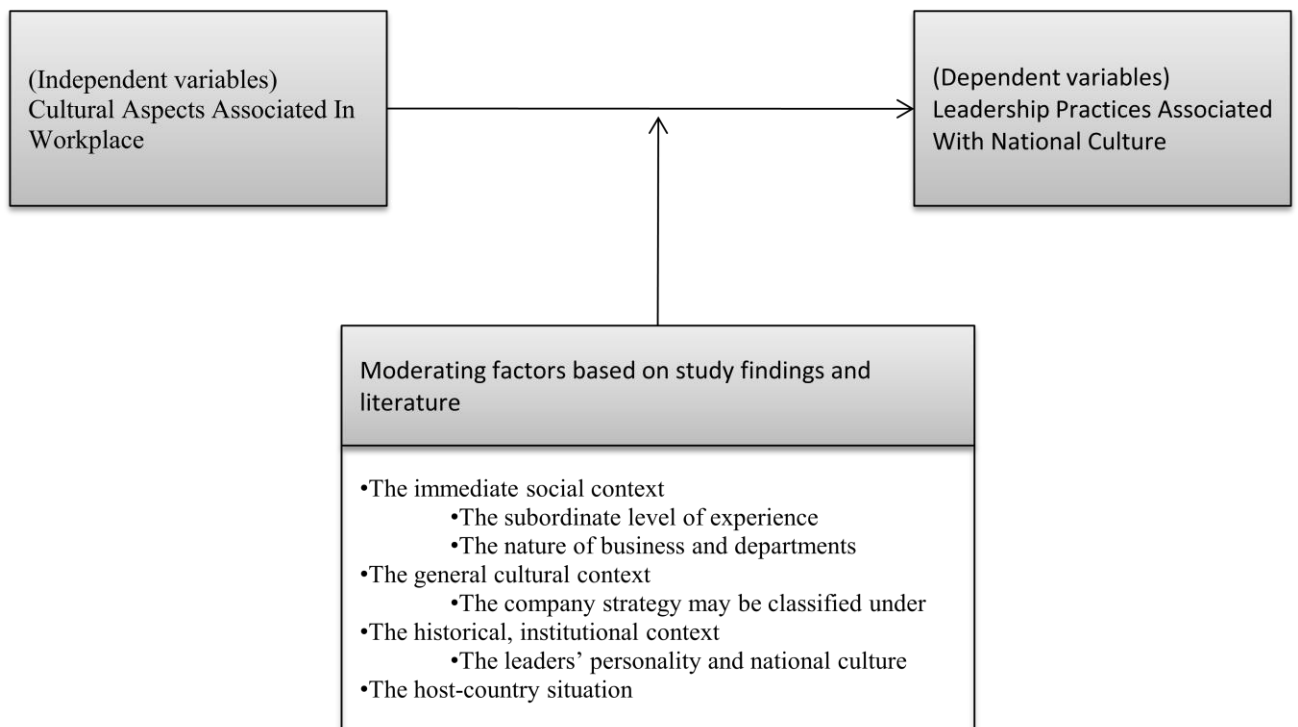


Figure 1: Proposed model