



Understanding paternalistic leadership: a guide for managers considering foreign assignments

Journal:	<i>Strategy & Leadership</i>
Manuscript ID	SL-05-2019-0066
Manuscript Type:	Practitioner Paper
Keywords:	Leadership, Paternalistic leadership, information and power, paternalistic culture, matriarchy

SCHOLARONE™
Manuscripts

Understanding paternalistic leadership: a guide for managers considering foreign assignments

Alejandro Martin Sposato

[bio]

Alejandro Martin Sposato is a Senior Lecturer in Human Resource Management at Middlesex University Dubai, United Arab Emirates (A.Sposato@mdx.ac.ae).

Many leadership theories currently competing for our attention – for example, authentic leadership, transformational leadership and servant leadership – are familiar models to anyone educated in a business institution that, broadly speaking, follows a Western curriculum. However, as managers who do business globally can attest, human interaction and relations, and especially leadership, are directly linked to culture and cultural expectations. What works for a leader depends to a large extent on his or her organization's cultural context. For instance, in Scandinavian countries, leaders act more as facilitators, yet in Arab countries leaders are expected to make all decisions, give orders and be obeyed. One of the best known researchers into such national differences in their norms of leadership and followership, Geert Hofstede, identified six dimensions: Power Distance (how power is distributed), Uncertainty Avoidance, Individualism/Collectivism, Masculinity/Femininity, Long/Short Term Orientation and Indulgence/Restraint. All of these are relevant to managers from outside the culture seeking to appreciate its particular expectation of what makes a good leader and a good follower. Failure to recognize how these dimensions determine an organization's normative behavior will undoubtedly lead to misunderstandings, and perhaps to conflict and poor performance.

Paternalistic leadership

Paternalistic leadership, a father-like style with variations adapted to many different cultures, is performed and expected in many countries across the world. The lack of discussion focusing on paternalistic leadership in the West is remarkable given that this style of leadership is prevalent from Africa to Asia and from Latin America to the Middle East. It is not that paternalistic leadership is the same in all non-Western contexts, but rather, in those countries, leaders tend to have some common

1
2
3 characteristics, though they are also deeply influenced by local cultural norms. While
4 any generalizations about leadership and culture risk promoting clichés, research
5 has found a few notable common characteristics. For instance, in China, paternalistic
6 leadership is influenced by the idea of Confucianism and Daoism, which evidences
7 as “a fatherlike leadership style in which clear and strong authority is combined with
8 concern and considerateness and elements of moral leadership.... Elements of this
9 leadership style have also been found to be pervasive in other Asian societies....”¹

10
11 Because of the prevalence of this parental style of leadership in Asia, Africa, Middle
12 East and Latin America, it is essential for people who plan to move abroad to work,
13 or Western-trained managers and consultants establishing international joint
14 ventures, to be familiar with it and be prepared to respond appropriately.

15
16 Paternalistic leadership is sometimes misunderstood in the West, where it is quite
17 often described as a benevolent dictatorship, a definition that doesn’t do justice to
18 the many forms it takes.² Many problems arise when managers trained in Western
19 business practices first work abroad and encounter a style of leadership heavily
20 influenced by paternalistic norms and based on unreserved deference to authority.

21 22 **Cultural acceptance of power distribution**

23
24 Paternalistic leadership tends to be more prominent in societies where “power
25 distance,” one of the cultural dimension identified by Hofstede,³ scores high, such as
26 in China or sub-Saharan Africa. A high score in the power distance measure
27 indicates that the culture tends to accept the unequal distribution of power in society
28 more easily. Paternalistic leadership is based on the assumption that the leader
29 knows best and should take almost all the decisions without conferring with
30 subordinates. A paternalistic leader may control the smallest of decisions, such as
31 who sits where in the office. Subordinates should not be surprised when they are not
32 only told what to do but also how to do it.

33 34 **What are the norms of paternalistic leadership?**

35
36 Paternalistic leaders traditionally tended to be -- and were expected to be -- older
37 and male. Today, the situation is changing in some countries, and a few women
38 have become matriarchal leaders.

1
2
3 Prominent examples of paternalistic business leaders include Dhirubhai Ambani, an
4 Indian business tycoon and founder of Reliance Industries; Sir Li Ka-Shing, a Hong
5 Kong business magnate and one of the richest men in the world and Silvio
6 Berlusconi, an Italian businessman turned politician. For Americans, a historical
7 example most are familiar with is Henry Ford.
8
9

10
11
12
13 At some global companies like Samsung and Hyundai, “Paternalistic
14 management...is a pre-industrial form of authority that has been coopted by the
15 modern, industrial organization and codified as an element of the formal structure.”⁴
16
17

18
19 Despite the success of these and other examples, opinions differ strongly about the
20 effectiveness of paternalistic leadership. Does it inhibit innovation, or foster
21 nepotism? Or does it promote sustainability and effective decision making? Some
22 argue that paternalistic leadership cannot be separated from its social context. In
23 cultures where leaders are expected to make all decisions, followers would be
24 confused if they themselves were suddenly empowered to take decisions and likely
25 would perceive their leaders as incapable of being decisive.
26
27

28
29 Paternalistic leadership may offer some advantages that contribute to the success of
30 the organization, for example in the event of sudden change. When loyalty towards
31 the leader and the organization is high and orders are not questioned or differed,
32 decisions can be implemented at top speed.
33
34

35
36
37
38
39 **The characteristics of a paternalistic leader are:**
40

- 41 ● Father-like figure.
- 42 ● Authoritarian style of leadership.
- 43 ● The only real decision-maker.
- 44 ● The power center of the organization.
- 45 ● The nexus of the organization’s information system.
- 46 ● Demands loyalty above all else.
- 47 ● Creates a family-like working environment.
- 48
- 49
- 50
- 51
- 52
- 53
- 54
- 55
- 56
- 57
- 58
- 59
- 60

1
2
3 Some paternalistic leaders foster a working culture that resembles a family where
4 good manners and positive attitudes should be shown toward other members of the
5 organization.⁵ Other paternalistic leaders tend to be more obviously authoritarian,
6 and they want it to be accepted that they know best and have everyone's best
7 interests at heart. By the nature of the leadership style, when subordinates/followers
8 are told what to do they are expected not to ask for explanations and to assume
9 there is a valid reason why things happen the way they do.
10
11
12
13
14

15
16 Most employees in non-Western societies expect this type of leadership style, but
17 employees coming from an Anglo-Saxon cultural background will likely have some
18 difficulty adjusting to one where proximity to and social relationships with the leader
19 determine access to the information needed to do one's job effectively.
20
21
22

23
24 For example, American or German business managers may be accustomed to
25 having a clear barrier between personal and professional life. An Australian manager
26 may see a looser line between business and socializing. But in most non-Western
27 societies, a clear separation between personal and professional life is neither
28 expected nor desirable. Under paternalistic leadership, there is an expectation or
29 rather an obligation that leaders will take an interest in the personal life of their
30 subordinates, even mediating in family issues such as marital problems. The nature
31 of this approach is based on most traditional organizations being or having been a
32 family business where it has been virtually impossible to distinguish the family from
33 the business. Such a business has not only been set up to create a profit but also to
34 provide employment to the family members. Consequently, any person who enters
35 the business is, in a way, entering the family and often is even invited to family
36 gatherings.
37
38
39
40
41
42
43
44
45

46
47 In paternalistic organizations subordinates should always consult their leaders' views
48 and opinions on both professional and private issues and their decisions on such
49 matters are quite often final. An example of this comes from an organization based in
50 the Middle East, where one of the employees, who works in sales, first asks for the
51 explicit approval of the leader to enrol in an MBA course, but also asks the leader
52 which academic specialization he should follow within the program -- for example,
53 marketing, finance or entrepreneurship. The leader suggests a specialization and the
54
55
56
57
58
59
60

1
2
3 employee studies what his leader has “suggested” without questioning its
4 appropriateness.
5

6 7 **The centrality of loyalty** 8

9
10 Loyalty is at the center of this style of leadership, and quite often, leaders tend to
11 value this quality even above competence. Consequently, it is not uncommon for
12 promotion to be based on an employee’s loyalty or family ties to the leader rather
13 than personal performance.
14
15

16
17 Loyalty is tested when a fellow manager is at risk of losing face. This happens when
18 a person is put on the spot for a mistake that he or she has made, or when their
19 faults and shortcomings are discussed openly. This is a big no-no in paternalistic
20 organizations, where employees who make mistakes will provide implausible or even
21 ridiculous excuses to avoid admitting mistakes or not delivering on responsibilities.
22
23

24
25 Within paternalistic organizations technical competence is often seen to be
26 secondary in importance to loyalty. In this environment, if the leader is not able to
27 adequately judge technical competence, putting someone on the spot for a mistake
28 in front of the boss is the perfect recipe for making a lifetime enemy. Recent hires
29 should restrain from criticism of others or the organization until they are able to
30 understand the working dynamics of how criticism can be managed without making it
31 public.
32
33

34
35 Paternalistic leaders should not be openly defied or contradicted, especially in front
36 of others, even if leaders are patently wrong. While this is true in many companies in
37 Western countries too, there are also many examples of Western firms that routinely
38 air their disagreements vociferously in meetings. In practice, in paternalistic cultures
39 followers would be wise never to publically vent their grievances or complaints about
40 their co-workers in other departments. It may be acceptable to talk about problems
41 but not to single out the group that has made mistakes.
42
43
44
45
46
47
48
49
50
51
52
53

54 **Look for an alternate conduit for dissenting opinion**

55
56 A British senior manager who was recruited to modernize operations in a Middle
57 Eastern bank recounts his experience dealing with conflict in a paternalistic culture:
58
59
60

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60

“While you do not contradict the paternalistic leader, there are channels to voice your opinions and initiate change. The most common way is at the Majlis, a private room used to entertain guests. Sheiks -- tribal leaders -- regularly welcome unscheduled visitors to their Majlis to hear concerns and requests. I would try meeting the Sheik who oversaw the bank at his Majlis if I had a grievance. Information from these meetings was likely to travel up the hierarchy to the Supreme Council and eventually to the Sultan. All big decisions both business and political are made in the Majlis.”

How to work with a paternalistic leader

- An individual’s loyalty is of the utmost importance and every effort should be taken to ensure that it cannot be questioned. Open praise and acknowledgment of the significant actions of the leader should be displayed.
- Never criticize the leader. Never say anything negative about them to other co-workers. No matter how close you feel towards colleagues, people will report criticism to the leader, if for nothing else than to show loyalty.
- Treat everyone with the utmost respect. You never really know exactly who might be part of the inner circle, connected to the extended family of the leader or who might have a direct line to him.
- Expect unexpected issues – such as family ties, personality quirks, risks of losing face -- to determine business decisions, and you will never be surprised.

Given the interconnectedness of global business and associated social and cultures change, behaviors of paternalistic leaders and their followers are likely to evolve. One of the central issues for many societies is the increasing role of women as leaders.⁶ This social shift will have inexorable consequences in paternalistic leadership and organizations as conflicts arise between perceptions about gender and the qualities of effective leaders.⁷

Western managers considering a foreign assignment should be aware that paternalistic leadership in sub-Saharan Africa is not the same as that in China or South America, but this guide outlines some shared commonalities resulting from the central role of the leader and the way power is distributed in the organization.

Hofstede’s dimensions of an individual organization’s culture

In a globally connect world, some businesses in countries where a paternalistic leadership is common may vary from that organizational culture in significant ways.

Practitioners seeking insights into the cultures of individual foreign organizations could organize their information search using six dimensions identified by noted cultural researcher Geert Hofstede:

1. Process-oriented versus results-oriented. Process-oriented cultures are dominated by technical and bureaucratic routines, results oriented by a common concern for outcomes.

2. Job-oriented versus employee-oriented. The former assume responsibility for the employees' job performance only, and nothing more; employee-oriented cultures assume a broad responsibility for their members' wellbeing.

3. Professional versus parochial. In the former, the (usually highly educated) members identify primarily with their profession; in the latter, the members derive their identity from the organization for which they work.

4. Open systems versus closed systems. This refers to the common style of internal and external communication, and to the ease with which outsiders and newcomers are admitted.

5. Tight versus loose control. This refers to the degree of formality and punctuality within the organization.

6. Pragmatic versus normative. This describes the prevailing way (flexible or rigid) of dealing with the environment, in particular with customers.⁸

[Quotes]

“Because of the prevalence of this parental style of leadership in Asia, Africa, Middle East and South America, it is essential for people who plan to move abroad to work, or Western-trained managers and consultants establishing international joint ventures, to be familiar with it and be prepared to respond appropriately.”

“Many problems arise when managers trained in Western business practices first work abroad and encounter a style of leadership heavily influenced by paternalistic norms and based on unreserved deference to authority.”

“Paternalistic leaders tend to be more obviously authoritarian, and they want it to be accepted that they know best and have everyone's best interests at heart.”

“Under paternalistic leadership, there is an expectation or rather an obligation that leaders will take an interest in the personal life of their subordinates, even mediating in family issues such as marital problems.”

“In practice in paternalistic cultures, followers would be wise never to assign blame or publically vent their grievances over actions by their peers.”

Notes

¹Jiing-Lih Farh and Bor-Shiuan Cheng, (2000) “A Cultural Analysis of Paternalistic Leadership in Chinese Organizations,” pp 84-127 in Li J.T., Tsui A.S., Weldon E. (eds) *Management and Organizations in the Chinese Context* (Palgrave McMillan).

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60

² Northouse, P.G. (1997), *Leadership: Theory and Practice*, (Sage, Thousand Oaks, California).

³ Hofstede, G., (1980), *Culture's Consequences: International Differences in Work-Related Values*. (Beverly Hills, CA., Sage). 2nd edition (2001), *Culture's consequences: Comparing values, behaviors, institutions and organizations across nations*, (Sage, Thousand Oaks, CA).

⁴ Kragh, S. U., (2012) "The anthropology of nepotism: Social distance and reciprocity in organizations in developing countries," *International Journal of Cross Cultural Management*, Sage.

⁵ Aycan, Z. (2006), "Paternalism: towards conceptual refinement and operationalization," in Yang, K.S., Hwang, K.K. and Kim, U. (Eds.), *Scientific Advances in Indigenous Psychologies: Empirical, Philosophical and Cultural Contributions*, pp. 445–466, (Cambridge University Press, Cambridge)

⁶ Sposato, M. & Rumens, N. (2018), "Advancing international human resource management scholarship on paternalistic leadership and gender: the role of postcolonial feminism," *International Journal of Human Resource Management*, ISSN 0958-5192 (Accepted/In press).

⁷ Sposato, M. (2016) "*Female Leadership in Hong Kong*," Doctoral dissertation, Middlesex University.

⁸ The research grounding of these dimensions is documented extensively in Hofstede, G., Neuijen, B., Ohayv, D. D. & Sanders, G. (1990), "Measuring organizational cultures: A qualitative and quantitative study across twenty cases," *Administrative Science Quarterly*, 35, 286-316. Applications and implications can be found in Hofstede, G., Hofstede, G. J. & Minkov, M. (2010), *Cultures and Organizations: Software of the Mind* (Rev. 3rd ed.), New York: McGraw-Hill.