Team leadership models:

Modeling multicultural team success

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Abstract

Multicultural teams are increasingly the modus operandi of multinational organizations and are often seen as the ‘glue’ in these dispersed enterprises. The wealth of multicultural team research hitherto provides little guidance as to the choice of leadership models. The literature on team leadership, in turn, predominantly focuses on single-culture contexts and therefore is void of the complexity posed by multicultural team composition. By examining multicultural team composition in terms of ‘faultlines’ and status cue expectations, we formulate propositions predicting which team leadership model (individual, shared or rotated) will enhance performance.

Keywords: Multicultural teams, leadership, faultlines, status cues, shared leadership, rotated leadership
INTRODUCTION

One of the key cultural competences necessary to be a successful global manager is the ability to lead and coordinate multicultural teams (Cant, 2004). Most often managing a team is assumed to be done by one individual. In this paper, we bring in two additional leadership models: ‘shared team leadership’ and ‘rotated team leadership’ in our ambition to predict a successful choice of leadership model depending on team composition.

The need for high-performance multinational teams is now a reality for many organizations dealing with the complexities of global business (Ravlin, Thomas & Ilsev, 2000; DiStefano & Maznevski, 2000). These teams, in this paper referred to as multicultural (Marquardt & Horvath, 2001), vary in terms of their diversity along a range of dimensions such as nationality, ethnicity, and religion. In spite of their diversity, these teams are often seen as the ‘glue’ cementing a company dispersed over time, space, and culture. They can provide efficiencies and can be the source of creative initiatives (Galbraith, 2000; McLeod & Lobel, 1992). Govindaran and Gupta (2001) even go so far as to suggest that global business teams, although challenging to manage, are the most effective tool for managing dispersed global operations. Achieving these benefits has however proved difficult (Butler, 2006; Williams & O’Reilly, 1998; Milliken & Martins, 1996).

Cross-cultural leadership research informs us that leadership styles, ideals, and employee preferences for leadership practices vary across countries and cultures (see e.g., Zander, 1997; Smith, Peterson, Schwartz & co-authors, 2002; House, Hanges, Javidan, Dorman & Gupta, 2004). These findings suggest that in a multicultural team, members will hold different leadership models. The literatures on leadership and teams have developed in recent years, but most often, traditional leadership theories are applied to team settings, ignoring the complexity and dynamics of leading a team (Burke et al, 2006). These theories help us even less in a multicultural team context.
This paper builds theory around the relationship between team leadership models and multicultural team composition. Our contribution is to propose specific team leadership models geared at bringing out the best in multicultural teams and leaving the prevalent common wisdom that ‘management matters’, without specifying how, behind. By examining team composition in terms of ‘faultlines’ and ‘status characteristics’, we formulate propositions as to which team leadership model can be predicted to lead to successful organizational outcomes.

TEAM LEADERSHIP MODELS

Individual team leadership, shared team leadership, and rotated leadership model are discussed in this section.

**Individual Team Leadership**

Recent work on individual team leadership set in local contexts stand out as of particular interest to consider for multicultural teams. Burke, Stagl, Klein, Goodwin, Salas and Halpin’s (2006) meta-analysis of 50 empirical studies displayed that both task- and person-focused leader behaviours were related to team performance. Burke et al (2006) proposed that in teams with high task inter-dependence and high demands on coordination, person-focused leadership behaviours (e.g., empowering including coaching, monitoring, feedback and participatory behaviours on part of the leader) were related to team performance outcomes such as team effectiveness and team learning.

The overwhelming challenge facing multicultural team leaders is that team members hold different culturally-based leadership expectations and preferences, particularly pertaining to task- and person-focus. In a 18-country study of more than 17,000 respondents by Zander (1997) employee preferences regarding leadership practices such as empowering, coaching, supervising, reviewing, communicating (general and personal) and proud-making (positive feedback) was shown to vary across countries. The preferences were also significantly associated with national cultural dimensions. In multicultural teams, members will have different leadership preferences,
e.g., employees in some cultures prefer a directive style while others prefer a participative style. Where the team members have similar preferences for leadership style, such style is likely to be welcomed, but when preferences vary difficulties emerge. At best, common ground can be identified unless a power paradox surfaces (Maznevski & Zander, 2001). The essence of the paradox is that for some employees, leaders who share or delegate decision-making are seen as legitimate leaders. For other employees (who prefer direction instead of delegation) leaders who empower lose their legitimacy as leaders. Thus, the power paradox places the team leader in a position where parts of the team question the legitimacy and subsequently the leader’s authority for the same reasons that make other employees give the leader the authority to lead. The team leader under these circumstances will end up in a discretionary vacuum.

In-depth interviews by Brett, Behfar & Kern (2006) with leaders and team-members of multicultural teams support the power paradox reasoning. They identify; 1) differing attitudes towards hierarchy and authority, and 2) conflicting norms for decision-making, as key barriers to team success. Even in a student environment, the power paradox comes into play as evident in Auer-Rizzi & Berry’s (2000) videotapes of nationally mixed student teams who cannot decide on the appropriate degree of subordinate participation in decision-making when carrying out business-related exercises.

**Shared Team Leadership**

The management fads of the 1990s, like ‘collective leadership’ or ‘self-managed teams’ (Gibson & Tesone, 2001) have conceptually, and practically, developed into shared and distributed leadership (Pearce & Sims, 2002). The contemporary version takes team leadership from the individual to the group level (Pearce & Sims, 2002). In the literature on shared and distributed leadership, all team members participate in a leadership process. Building a leadership capacity at team level rests on the basis that the team members interact with the goal of accomplishing shared work and the purpose of learning and developing. Relationships among team members, which
enhance cooperation and resource exchange, become particularly important as leadership is a property of the team, rather than an individual. Day et al (2004) emphasize how relying on one individual leader limits effectiveness, particularly when dealing with complexities, while the team’s shared leadership repertoire broadens and transcends individual models of leadership.

**Rotated Team Leadership**

An intermediate model of shared leadership, ‘rotated team leadership’, proposed by Klein, Ziegert, Knight, and Xiao (2006), describes a de-individualized and delegated model. This is a model where a limited number of individuals share leadership, with one individual at the time in charge even when other team leaders’ are present. The model was developed when studying extreme-action teams at a city trauma centre, where highly skilled team members cooperate to perform unpredictable and urgent tasks while coping with frequent changes in team composition. Klein et al (2006) found that the shift of leadership was often carried out without verbal expression words, similar to actors moving in and out according to carefully scripted roles, based on a well-established leadership hierarchy, confidence in the junior leader’s ability as well as trust in senior members’ ability to amend any mistakes made by juniors. Routines, traditions and values within the studied city trauma centre were found to enable this efficient shared, delegated and de-individualized rotated leadership model (Klein et al, 2006).

This team leadership model may sound as if applicable only in medical, or other specialised setting, as described above. Yet, Erez, Lepine, and Elms (2002) found in their study of teams that a somewhat similar rotating team leadership model was related to higher levels of voice (speaking one’s mind) and cooperation (quality of interaction among team members), and that these effects were associated with higher levels of team performance.

**FAULTLINES AND STATUS CHARACTERISTICS**

‘Faultlines’ and ‘status characteristics’ are two complementary theoretical approaches for examining multicultural team composition.
Faultlines

Lau and Murnighan’s (1998) theorizing around group faultlines is influential in the area of team research. According to Lau and Murnighan (1998:2005) a team’s degree of heterogeneity varies with the degree of strength of so-called faultlines. If team members fall into subgroups with several aligned demographic characteristics – e.g., young British women and old Swedish men, then the ‘faultline’ is strong and the team is less heterogeneous because three important attributes, age, ethnicity, and gender align. The number of subgroups and corresponding faultline strength depends on the number and alignment of individual attributes apparent to group members. The more demographic attributes of group members are correlated, the fewer the number of subgroups, the more homogeneous the subgroups, and the stronger the faultlines. When faultlines are strong, intergroup power play and rivalry will surge limiting creativity and productivity. Teams that experience lower degrees of heterogeneity become engulfed in internal team processes, with few, if any, concerted team efforts towards common goals and successful organizational outcomes.

The fewer attributes that are correlated, the weaker the faultlines, and with weak faultlines comes greater heterogeneity and positive effects such as a focus on the task-at-hand and increased team member contributions to creativity (McLeod & Lobel, 1992; Watson, Kumar & Michaelsen, 1993). In such teams, there is a potential for multicultural interaction to propel the team towards knowledge sharing and successful achievements paired with an increased cohesion essential for team success (Wright and Drewery, 2006). In our view, understanding the differential effects of intergroup faultlines in a multicultural team will lead to making an informed choice of team leadership model.

Status Characteristics

Highly diverse teams are characterized by dissimilarity rather than similarity (DiStefano & Maznevski, 2000), and team members therefore must actively engage in social ‘sorting’ using
status cues to create a social consensus. Berger and colleagues (1986) categorize status cues using two dimensions: 1) indicative/expressive; and 2) task/categorical. Indicative cues ‘explicitly label a person’ and are assumed to be volitional, whereas expressive cues are ‘given off during interaction’ and are assumed not to be under the actor’s control. Task cues provide information about ‘performance in the immediate interaction situation’, whereas categorical cues give information about ‘who this person is’. Expressive cues are more powerful than indicative cues in instances where these directly conflict (e.g., shouting ‘I’m not angry’) (see Berger et al., 1986), because of the assumed non-volitional nature of these cues. Categorical cues underlie the presentation of task cues (Bales, 1951, 1953; Berger et al., 1986), because their diffuse nature bestows or denies general competence.

In intra-cultural interactions, categorical expressive cues are the dominant underlying influence; task expressive cues are evidenced in participants’ behaviors. Where nationality differentiates among individuals in a group, it is the primary status-determining trait (Hughes, 1984; Earley & Mosakowski, 2000; Butler, 2004). Other diffuse (e.g., ethnicity) and specific (e.g., computer skills) characteristics also function as auxiliary traits (e.g., Tsui et al., 1992; Pelled et al., 1999). Task indicative cues thus sort members in multinational groups (Butler, 2004) (see Figure 1).

Status characteristics have been found to play a powerful role in short-lived teams; members have little else on which to evaluate each other (Kelsey, 1998). Research has also shown that similar status-organizing processes are prevalent in permanent research and development teams (Cohen & Zhou, 1991). These status characteristics can be consistent or
inconsistent in the expectations they create. More inconsistent expectations by salient status characteristics (e.g., a Canadian male doctor and a Canadian female nurse), lead to more egalitarian situation, while consistent expectations will lead to more hierarchical groups. In our view, understanding the implications of status cues based on the team’s multicultural composition will contribute to making an informed choice of team leadership model.

**PROPOSITIONS AND CONCLUSION**

As the team member composition in a multicultural team often is given, and subsequently the cultural constellation of the team, we propose that the degree of strength of faultlines and the degree of consistency in expectations based on status characteristics can be used to predict leadership challenges should inform the choice of leadership model (see Figure 2).

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Insert Figure 2 about here

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When faultlines are strong intergroup power play and rivalry instead of collaborative efforts can easily come to characterise work in the team. Attempts to share leadership could lead to polarisation between strong subgroups, while rotated leadership will be questioned at best but most probably ignored. We predict that leaders, if able to overcome the power paradox and supported by consistent status cue expectations, which lead to more hierarchical groups, can successfully take on an individual team leadership role (see Figure 2: Cell 1).

*Proposition 1. ‘Individual leadership’ in multicultural teams with strong faultlines and consistent expectations will lead to higher performance.*
When faultlines are weak, there is greater heterogeneity leading to positive effects such as task focus and team member contributions to creativity. When this is paired with inconsistent status cue expectations through salient status characteristics (e.g., a Canadian female doctor working with a Swedish male nurse), the team setting becomes more egalitarian, laying the ground for effective shared leadership (See Figure 2: Cell 4).

**Proposition 2.** ‘Shared leadership’ in multicultural teams characterized by weak faultlines and inconsistent expectations will lead to higher performance.

In cell 2 of Figure 2, faultlines are strong (saying polarized conflict) but status cue expectations are inconsistent (which is associated with a more egalitarian work context). In cell 3 of Figure 2, the faultlines are weak (producing team heterogeneity) but the status cue expectations are consistent (implying a more hierarchical team setting). In both these situations, we suggest that a rotated leadership model could cater to the differing leadership expectations and preferences emerging in these team constellations.

**Proposition 3.** ‘Rotated leadership’ in multicultural teams where faultlines are strong and expectations inconsistent, or faultlines are weak and expectations are consistent will lead to higher performance.

The three propositions are a first attempt to come to grips with the complexity posed by multicultural team composition. We propose specific team leadership models (individual, shared or rotated) contingent on team composition, rather than assuming individual leadership. For multinational organizations to effectively tackle multicultural team leadership challenges, management matters. Specifically, we believe that the probability of success increases with an appropriate choice of leadership model given the multicultural team composition with respect to faultlines and status cues.
It is our aim to contribute to international management in general and multicultural team research in particular. In this paper, our contribution is two-fold: first, we identify and discuss the relevance of other leadership models not just the ‘common one person one leader’ model. Second, we theorize about the relationship between multicultural team composition and the choice of leadership model with the aim to bring out the best in multicultural teams and increase the potential for successful and creative organizational outcomes.
REFERENCES


Lau, D.C., & Murnighan, J.K. (2005). Interactions within groups and subgroups: the effects of


Figure 1. Typology of Status Cues in Problem-Solving Groups

<table>
<thead>
<tr>
<th></th>
<th>Task</th>
<th>Categorical</th>
</tr>
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<tbody>
<tr>
<td></td>
<td><strong>Indicative</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Cell 1</strong></td>
<td><strong>Cell 2</strong></td>
</tr>
<tr>
<td></td>
<td>“I just happen to know how to do this.”</td>
<td>Diploma, licenses, and certificates</td>
</tr>
<tr>
<td></td>
<td>“I am confident of my abilities here.”</td>
<td>Obvious symbols of wealth, poverty, educational attainment, status position</td>
</tr>
<tr>
<td></td>
<td>“I have had a great deal of previous experience with this type of problem.”</td>
<td>“I am a Harvard PhD.”</td>
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<tr>
<td></td>
<td>“I have the ability in general to solve problems”</td>
<td>“I am a mathematician.”</td>
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<tr>
<td></td>
<td></td>
<td>“I am a Chicano.”</td>
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<tr>
<td></td>
<td><strong>weak/weak combination of status cues; least influential</strong></td>
<td><strong>weak/strong combination of status cues</strong></td>
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<tr>
<td></td>
<td><strong>Cell 3</strong></td>
<td></td>
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<tr>
<td></td>
<td>Eye contact and duration</td>
<td>Ethnic or regional dialect</td>
</tr>
<tr>
<td></td>
<td>Speech speed and loudness</td>
<td>Grammar, word usage, phonology</td>
</tr>
<tr>
<td></td>
<td>Speech fluency or hesitancy</td>
<td>Speech styles which are race specific, gender specific, or ethnic specific</td>
</tr>
<tr>
<td></td>
<td>Choice of head of table</td>
<td>Skin color or facial features which are race, gender, or ethnic specific</td>
</tr>
<tr>
<td></td>
<td>Maintaining minority position</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>strong/weak combination of status cues</strong></td>
<td><strong>strong/strong combination of cues; influence expressed via these cues</strong></td>
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<tr>
<td></td>
<td><strong>Expressive</strong></td>
<td></td>
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1 Adapted from Berger, et al., 1986, p. 7.
**Figure 2. Proposed team leadership model based on team composition**

<table>
<thead>
<tr>
<th>Consistent status cue expectations</th>
<th>Inconsistent status cue expectations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strong faultlines</td>
<td></td>
</tr>
<tr>
<td>Cell 1: Individual leadership</td>
<td>Cell 2: Rotated leadership</td>
</tr>
<tr>
<td>Strong faultlines and consistent status cue expectations</td>
<td>Strong faultlines and inconsistent status cue expectations</td>
</tr>
<tr>
<td>Cell 3: Rotated leadership</td>
<td>Cell 4: Shared leadership</td>
</tr>
<tr>
<td>Weak faultlines</td>
<td></td>
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<tr>
<td>Cell 3: Rotated leadership</td>
<td>Cell 4: Shared leadership</td>
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<tr>
<td>Weak faultlines and consistent status cue expectations</td>
<td>Weak faultlines and inconsistent status cue expectations</td>
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