

Chapter 22

Responsible Leadership and Expatriation: The Influence of National Culture

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ABSTRACT

One of the consequences of globalization was the internationalization of organizations. In this context, expatriation has become fundamental for the competitiveness of the organizations. Training is indispensable to adjustment of expatriates in a new culture. Poor performance by expatriates compromises the success and competitive capacity of organizations. Like expatriation, responsible leadership is a very important topic. Responsible leadership can be the answer for a more ethical business in a context full of uncertainties. In literature there are a variety of definitions about responsible leadership. In spite of that, the relationship between leaders and stakeholders (internal and external) to achieve a common objective is vital. Leaders interact with different stakeholders with different costumes and culture. Knowledge of national idiosyncrasies is very important because these are a key element in the internationalization process as well as a factor of success in expatriation and responsible leadership.

INTRODUCTION

The origin of globalization dates back to the fifteenth and sixteenth centuries and is attributed to the Portuguese, specifically to King D. João II and Prince Henry the Navigator's audacity (Devezas and Modelski, 2006). Modern globalization took its first steps in the 1940s, but it was only in the 1980s that technological advances began to make free trade and international financial flows globally tangible.

One of the consequences of globalization is the mobility of people on a worldwide scale. In fact, the mobility of people has always existed as a way of survival or improving living conditions. These migratory movements continue to exist but now also as an imposition for organizations, representing an added value for them and, more often, the only way to survive.

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According to Yip (1989) to develop their strategy, organizations first foster their core business strategy, then internationalize it through international expansion and finally globalize the implemented strategy in other countries.

The internationalization of organizations enables increasing business opportunities by acting as a catalyst for the economic growth of these organizations, as new markets may arise from a source of knowledge giving the opportunity to seize other cultural perspectives.

In this way globalization has increased the opportunities for people to work in organizations outside their native countries. Expatriation has become very important to organizations. An expatriate has been defined as an employee sent by her/his organization to another country on a temporary basis, to fulfill specific organizational objectives (Dowling and Welch, 2004; Richardson and Mallon, 2005).

Expatriation is important for organizations' strategy and is also very important for workers. It is simultaneously the only way workers have to avoid breaking their relationship with the organization in which they are inserted and an opportunity to leave their comfort zone by developing their adaptability, acquiring knowledge inherent to the new context and ensuring the continuity of their professional career.

One of the many challenges expatriates can face is cultural (mal)adjustment. The cultural distance between the native culture and the new culture determines the cross-cultural adjustment of expatriates (Takeuchi, Lepak, Marinova and Yun, 2007). Training is thus fundamental for the adjustment of expatriates in a new culture. The objective of cultural training is to help members of one culture to interact successfully with the members of another culture. Studies reveal that cultural training has a positive effect on adjustment to a new culture (Black, Mendenhall, Oddou, 1991; Hammer and Martin, 1992).

Like expatriation, responsible leadership is also becoming a very important topic in academia and in the business world. Responsible leadership emphasizes that the influencing power of leaders "should be used to improved everybody's lives, rather than contributing to the destruction of value of individual careers, organizations, economies and societies" (Marques, Reis, Gomes, 2018, p.3). Responsible leadership had been defined according to two perspectives. First, as "a social-relational and ethic phenomenon, which occurs in social processes of interaction" (Maak and Pless, 2006, p.99) and second, as "the consideration of the consequences of one's actions for all stakeholders". In this point of view, responsible leadership is embedded in networks of flexible hierarchies and stakeholders, encompassing multiple markets and cultures based on ethical and normative considerations (Miska and Mendenhall, 2018).

Like expatriates, responsible leaders interact with different stakeholders while at the same time are embedded in different national systems and embracing different societal values (Schneider, Barsoux, Stahl, 2014). This parallel between expatriation and responsible leadership provides the opportunity to argue that cultural training should also be applied to responsible leaders.

Expatriates and leaders will need intercultural skills. Expatriates need intercultural skills to integrate successfully in a new culture and responsible leaders need these skills to interact with stakeholders with different interests, values and cultures.

Culture can be defined as "shared motives, values, beliefs, identities and interpretations or meanings of significant events that result from common experiences of members of collectivities and are transmitted across age generations" (House, Hanges, Javidan, Dorfman and Gupta, 2004, p.15). These authors identified and proposed nine cultural dimensions of national culture: (1) Power Distance (2) Gender Equality; (3) Assertiveness; (4) Institutional Collectivism; (5) Endogrupal Collectivism; (6) Avoidance of Uncertainty; (7) Human Orientation; (8) Orientation to the Future; and (9) Performance Orientation.

We argue that cultural training for expatriates and leaders should include knowledge of those dimensions. As noted above, knowledge of cultural values, which postulate the principles and norms that are

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