Leadership styles and organizational performance in Greek enterprises

Pinelopi Chatzivamvaki

SCHOOL OF ECONOMICS, BUSINESS ADMINISTRATION & LEGAL STUDIES
A thesis submitted for the degree of
Executive MBA

January 2016
Thessaloniki – Greece

Student Name: Pinelopi Chatzivamvaki
SID: 1101140005
Supervisor: Prof. Davide Ravasi

Davide Ravasi
Digitally signed by Davide Ravasi
Date: 2016.01.20 17:25:33 Z

I hereby declare that the work submitted is mine and that where I have made use of another’s work, I have attributed the source(s) according to the Regulations set in the Student’s Handbook.

January 2016
Thessaloniki - Greece
Abstract

This study will investigate leadership styles in Greek enterprises. In my research, I used the case of multinational corporations in Greece and Greek family-owned businesses to investigate peculiar traits of leadership styles of Greek managers. Multinational corporations offer an ideal setting to investigate whether and how cultural differences affect leadership styles because local and international managers and expatriates are routinely exposed to these potential differences as they interact with one another. Family-owned businesses offer an ideal setting to investigate traditional leadership style reflecting Greek cultural traits. I used semi-structured interviews, conducted via personal meetings, online meetings and e-mails to capture the experience of managers in these organizations. I also used the relevant literature, case studies, and databases as secondary data to guide and support my research by analyzing different leadership styles, the relation between leadership and culture, and how they affect organizational performance.

My aim for this research was to answer the following questions:

• What are the most common leadership styles in Greek enterprises?
• How do Greek managers lead so as to create productivity and sustainability?
• What are the most effective and ineffective traits of these leadership styles?
• How should Greek managers change their leadership style to improve the performance of their teams and organizations?

Keywords: Leadership, Culture, Effectiveness, Greece

Pinelopi Chatzivamvaki
01/2016
Preface

This Business Project is written as part of the Executive MBA at the International Hellenic University. This study is important due to limited findings in this particular field and because it contributes to the knowledge and practice of Greek managers so as to achieve effective leadership through effective organizational culture, satisfying working environments, motivated employees, and as a result in better organizational performance. I also examine the relationship between leadership and culture (national and organizational) as well as how these two elements contribute to goals achievement, high productivity, and economic viability. Last, the research indicates directions for changes at managerial level by providing information and evidence to administrators. Academics in Greek schools and universities as well as managers in Greek corporations are offered arguments on how and why better leadership may contribute to this country’s welfare.

As a Marketing Manager for a clothing company I cooperate in a daily basis with an outsourced advertising company. The manager of the advertising company and I carry through the corporation’s campaign from concept to implementation and promotion, to achieve increased sales and stronger branding.

As a gymnastics athlete for a decade, though, I have learned to work individually. The purpose of the coaches was to build a strong team that included different talents. However, the only way for someone to succeed and earn a place in the national team was to compete individually. So not only there was no co-operation within the team but there was big competition instead.

Based on these contrary lifestyles, I became interested in finding a better way to connect individual success with team’s success and viability; to examine leadership as a human capital having both personal and collective impact; to explore extraordinary leadership among ordinary people.
From my experience, nowadays, people are searching for someone to inspire them; they need someone to reduce their tendency to work competitively in individual and guide them to work as good as possible within a team, and to teach them team-goals and synergy. They need leadership to be part of their everyday life, managing challenges and leading to a better life. According to Shiza Shahid, Co-Founder and Global Ambassador, Malala Fund, and a Member of the Global Agenda Council on Education, “The best leaders know they must mediate, listen and include the opinions of others before making a decision. Global perspective; long-term, empirical planning; strong communication skills; empathy; courage; morality; and a collaborative nature are just a few virtues among many that a leader must possess. Execution, team building and delegation are key, as is to remain positive in the face of adversity.”[1]

**Acknowledgements**

In this part, I would like to express my sincere gratitude to my supervisor, Prof. Davide Ravasi for his continuous support of my Business Project study. His guidance, immediate response, patience and motivation helped me throughout the completion of my project.

My sincere thanks also go to all managers that despite their heavy schedule respondent to my need, as far as the interviews are concerned, and helped me understand the object of my research in depth by answering my questions and more. Without their willingness to support my research from various perspectives, I wouldn’t be able to complete my research to the best I could.
Introduction

Recent changes in the world economy and the fiscal crisis in general, as well as the increasing need for sustainable development and the complex organizational structure of corporations are changing the role that leaders are called to play today. They have to face many challenges including huge competition due to globalization, rapid adaptation due to the fast moving changes in technology, the demand for transparency, environmental sustainability and social responsibility, and the importance of strategic management and human resources management.

Survey completed by researchers on the Global Agenda (World Economic forum, 2015) showed that 86% of the respondents believe that we have a leadership crisis in the world today. Perhaps this is because the international community failed in dealing with the fiscal crisis efficiently and that caused severe problems in North America and Europe. More specifically, to the business sector part of the Survey, respondents ranked business leaders second in the Global leadership index. In the following chart, Figure 1, we can see that over 55% of responders to the survey of the Global Agenda agree that there is a leadership crisis in Europe where Greece belongs as well [1].

Figure 1 shows the general leadership crisis nowadays.


-1-
Greek corporations seem to lack of leadership and motivation of employees; maybe because the majority of them are family businesses where the managers are based on their experiences and with no trust on their human capital. Sometimes it is the lack of education, and sometimes it is the difficult time Greece is facing that calls for desperate measures. The question, then, is what skills do our leaders need to win back the confidence of their followers? What are the leadership styles they demonstrate and in what way could they change so as to improve the performance of their organizations?

In my research I began with a brief review of the literature on leadership, national and organizational culture, and the way they are linked to organizational performance, as well as how leadership and culture are connected to one another. I also examined the Globe study of 62 societies and focus on Eastern Europe cluster (Greece) and concluded that leadership is not universally common but the leadership style depends on the corresponding national culture and organizational culture as well.

I then developed two interview protocols (see Appendix) that helped me collect answers to questions relevant to the management and leadership styles of Greek enterprises; multinationals and family-owned.

The results did show that Greek corporations may lack of leadership or more specifically leadership styles that can result in a satisfying working environment where employee engagement and commitment can be developed. To do so, they have first to improve their organizational culture, or develop one if they do not have (family-owned businesses). In addition, managers in Greece may have to switch from their autonomous/ paternalistic leadership style to a participative one where people are supported, trained and coached, where teamwork is necessary as well as participation in decision-making and problem-solving processes.
Leadership, Culture and Organizational Performance

In this section, I examine the literature on leadership and culture and how these two areas are independently linked to organizational performance. Some say that the entire purpose of leadership is to create a culture. Others say that leadership cannot exist without culture. The truth is that leadership helps shape culture and culture in turn shapes leadership, and they both drive performance [2].

Leadership

According to Northouse (2013), “Leadership is a process whereby an individual influences a group of individuals to achieve a common goal”. It is not one specific trait or characteristic rather a transactional event between the leader and his/her followers. It is a two-way street communication that demands feedback and teamwork. It is an interactive event available to everyone, although the leader is the one that initiates the relationship, the communication channel and has the responsibility to maintain this relationship.

Also, according to Northouse (2013), leadership can be categorized in assigned leadership and emerged leadership. The first concerns a position occupied in an organization while the second concerns a person that others perceive as the most influential member of the team or the whole organization. The assigned leader may not turn out to be the real leader, but the emergent one who is based on its traits and personality; he/she may become the true leader of the organization. That is because this person is accepted and supported by his/her team members. In the following section I will discuss leadership from a traits approach, a style approach, a skills approach and the situational approach.

Trait Approach

According to Northouse (2013), the trait approach indicates some specific characteristics or qualities that make leaders differentiate from non-leaders. It also permits lead-
ership to those who are believed to have special, inborn talents. Some of these characteristics are intelligence, extraversion, integrity, confidence, empathy etc. Thus, from this point of view, leadership is something that one must possess and should match with the situations in which the leader is operating. From this perspective, both personality and situational factors are important to leadership.

Table 1: Summary of leadership traits identified by many researches

<table>
<thead>
<tr>
<th>Researcher</th>
<th>Traits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stogdill (1948)</td>
<td>Intelligence; Alertness; Insight; Responsibility; Initiative; Persistence; Self-confidence; Sociability</td>
</tr>
<tr>
<td>Mann (1959)</td>
<td>Intelligence; Masculinity; Adjustment; Dominance; Extraversion; Conservatism</td>
</tr>
<tr>
<td>Stogdill (1974)</td>
<td>Achievement; Persistence; Insight; Initiative; Self-confidence; Responsibility; Cooperativeness; Tolerance; Influence; Sociability</td>
</tr>
<tr>
<td>Lord et al. (1986)</td>
<td>Intelligence; Masculinity; Dominance</td>
</tr>
<tr>
<td>Kirkpatrick &amp; Locke (1991)</td>
<td>Drive; Motivation; Integrity; Confidence; Cognitive ability; Task knowledge</td>
</tr>
<tr>
<td>Zaccaro, Kemp &amp; Bader (2004)</td>
<td>Cognitive abilities; Extraversion; Conscientiousness; Emotional stability; Openness; Agreeableness; Motivation; Social intelligence; Self-monitoring; Emotional intelligence; Problem solving</td>
</tr>
</tbody>
</table>


The major leadership traits identified by Northouse (2013, p. 23-26), are the following:

- Intelligence; strong verbal ability, perceptual ability, and reasoning, which also should be in the same level as that of the followers so as to have an effective communication.

- Self-confidence; ability to be certain about one’s knowledge, abilities and skills. Includes the belief that one can make a difference.
• Determination; ability to be initiative, perseverance, dominant so as to drive followers, especially in times when they need to be directed.

• Integrity; includes the quality of honesty and trustworthiness. The ability to set a strong set of fair principles and take responsibility for bad decisions. Integrity inspires trust, loyalty and dependence.

• Sociability; the ability to build and retain pleasant social relationships. This way the leader seems friendly, outgoing, diplomatic and polite. Also by being social, the leader becomes empathetic, sensitive to other’s needs and more concerned about their well-being. Social leaders create more synergetic working environments.

Furthermore, according to Northouse (2013, p. 26-27) many researchers including Goldberg (1990) and McCrae & Costa (1987) have resulted in another important list of personality traits; the Five Factor or OCEAN Model of Personality, which includes five personality traits concerned with management and leadership. Those are:

• Openness to experience; the tendency to be imaginative, curious, broad-minded.

• Conscientiousness; the tendency to be responsible, dependable, persistent, organized, thorough.

• Extraversion; the tendency to be outgoing, sociable, assertive, positive.

• Agreeableness; the tendency to be good-natured, trusting, cooperative, accepting.

• Neuroticism; the tendency to be anxious, insecure, vulnerable, depressed and moody.

According to Judge et al. (2002) there is strong connection between those traits and leadership. He argues that extraversion is perceived as the most important trait of effective leadership. It is followed in the exact order by conscientiousness, openness, and low neuroticism. The least important factor associated with leadership is according to the findings the agreeableness. [3]
Another way to assess the impact of traits in leadership is through the concept of emotional intelligence (Northouse, 2013, pp.27-28), which concerns the ability of understanding emotions and using them to guide thinking and behaviors. Many researchers like Caruso & Wolfe (2004), Mayer, Salovey & Caruso (2000), Shankman & Allen (2008) have also provided analysis of this concept. According to Mayer, Saloney and Caruso emotional intelligence is actually perceived as the ability to express emotions and use them to facilitate thinking understanding and reasoning. They actually developed an instrument to measure emotional intelligence, the Mayer-Salovey-Caruso Emotional Intelligence Test (MSCEIT). Nevertheless, emotional intelligence seems to play a crucial role in effective leadership. People who are more sensitive and they can manage their emotions towards others are empathetic and empathy is one of the most important traits of an effective leader.

Style Approach

This approach argues that leadership is a reaction or else behavior that can be learned; about how leaders react to situations in contrast to their character. The style approach focuses on what leaders do and how they act (Northouse, 2007, p.69) and separates into two categories:

- Task-oriented behaviors and
- Relationship-oriented behaviors (McCaffery, 2004, p.64).

The Task-oriented behaviors focus on certain tasks while relationships-oriented behaviors focus on helping employees and team members feel comfortable with themselves, with each other, and with the situation in which they find themselves. The central purpose of the style approach is to explain how leaders combine these two kinds of behaviors to influence subordinates in their efforts to reach a goal (Northouse, 2007, p.69).
Many studies have also been conducted to investigate the style approach including:

- Ohio State University Study, which studied leadership as a personality trait and found that Consideration (People-oriented) and Initiating (Task-oriented) structure are two essential behaviors for leaders (Stogdill, 1974).

- University of Michigan Study, which studied the impact of the leader’s behavior on the performance of small groups, especially on job satisfaction and productivity resulting in two types of leadership behaviors: Employee oriented and Production oriented leadership (Cartwright & Zander, 1960; Katz & Kahn, 1951; Likert, 1961, 1967).

- Blake and Mouton's Leadership Grid, which studied and studies until today how leaders can help organizations to reach their goals through Concern for production and Concern for people (Blake & McCanse, 1991; Blake & Mouton, 1964, 1978, 1985) and presents five alternative behavioral styles of leadership.

Blake and Mouton's Leadership Grid is the best known model of managerial behavior and it is all about balancing Task- and People-Oriented Leadership [4].

- Concern for People; the leader has in mind the needs of his/her team members, their interests, their concerns, abilities, expertise and deficiencies when deciding how best to accomplish a task.

- Concern for Results; the leader emphasizes on tasks, objectives, deadlines, organizational efficiency and high productivity when deciding how best to accomplish a task.

The Leadership Grid, as seen in Northouse (2013, p. 78-83) portrays five alternative behavioral styles of leadership [4] [30]:

*Improverished Management – Low Results/Low People*

The leader neither concerns on accomplishing the goal by creating the appropriate background, nor on creating satisfying and motivating working environment. This ineffective type of leadership results in disorganization, dissatisfaction and disharmony.
Country Club Management – High People/Low Results
This leadership style concentrates on people, their feelings and satisfaction. The problem is that they may feel so secure in this relaxed and fun working environment that they may forget their responsibilities and deadlines due to lack of direction and control.

Authority-Compliance Management – High Results/Low people
It concerns the well-known authoritarian style of leadership where leaders use employees to reach their goal. Employee’s needs and feelings are not a priority because efficiency and productivity are more important. This leadership style includes strict rules, policies and procedures.

Middle-of-the-Road Management – Medium Results/Medium People
This leadership style may at first seem ideal because of the balance it offers, but the problem is that sometimes with balance comes mediocrity. And in this case neither production nor people are important. Leaders who use this style settle for average performance and often believe that this is the most anyone can expect.

Team management – High People/High Results
It is the best managerial style because it gives strong emphasis on both results and people. This leadership style includes high degree of participation and teamwork and ensures that people in the organization feel that satisfied that they would be more involved and committed to their work.
Figure 2 illustrates the Leadership Grid.

In addition to the five previously described styles of leadership, Blake and his colleagues identified two other styles:

- **Paternalism/Maternalism**; refers to the leader that uses both Authority-Compliance and Country Club Management style without integrating the two. This means that he/she acts courteously but not for the purpose of goal accomplishment. The leader of this style treats people as if they were dissociated from the task (Northouse, 2013, p.81).

- **Opportunism**; refers to the leader that uses any combination of the basic five styles of the Leadership Grid as long as he/she satisfies his/her ego because he/she sets self-interest a priority. Personal gain is the ultimate goal.

Blake and Mouton (1985) indicated that a person usually has a dominant grid style, which she/he uses in most situations, and a backup style. The backup style is what the leader reverts to when under pressure; when the usual way of accomplishing things does not work (Northouse, 2013, p.82).
Skills Approach

This approach gives emphasis on skills and abilities that can be learned and developed. Although traits play an important role in leadership, this approach suggests that knowledge and abilities are also necessary for an effective leadership. According to R.L. Katz (1955), there are three basic administrative skills:

- **Technical**: knowledge or better yet expertise on a certain work or activity. Includes competencies on specific areas, analytical ability, proper tools and techniques. Technical skills are more important on low and middle levels of management and less important in top levels of management.

- **Human**: knowledge and ability to work efficiently with people. Human skills are important concerning effective cooperation and communication with subordinates, peers and superiors emphasizing on goal accomplishment as usual. In this case adaptability and empathy are important characteristics for the leader, because the employees need to trust him, feel comfortable and secure as well as motivated by having the leader respect their ideas, views and opinions. Human skills are more important in middle and top levels of management.

- **Conceptual**: ability to work with ideas and concepts. In this case the leader is creative, good into putting the corporation’s goals into words and works easily with abstractions and hypothetical notions. Conceptual skills are the ones that create the vision of the corporation and the strategic plan towards it. They are more important at the top management levels.

However, it is important for leaders to have all three categories of skills; depending on where they stand in the management structure.

Situational Approach

Another important approach to leadership is the situational approach. It is based on theory developed in 1977 by Paul Hersey and Ken Blanchard. This approach concerns different styles for different situations or outcomes and it is appropriate for experienced leaders that are aware of organizational needs and individual motivation. Problems arise when a wrong leadership style is chosen and applied.
The situational leadership model, argues that there is no “one size fits all” approach. Leadership and management styles vary depending on the situation. Hence, every leader should first identify the priorities and the tasks needed for the completion of the project, then identify the team’s ability and willingness and then practice one of the four types of situational leadership. Those are [4]:

- **Directing:** appropriate when the team members have low willingness and low ability for the completion of the work. In this case the leader must direct the team, distribute roles and responsibilities and supervise along the completion of the project. Decision-making is the leader’s responsibility.

- **Coaching:** appropriate when the team members have high willingness but low ability for the completion of the work. Although the leader has to distribute roles and responsibilities, this time he/she enjoys feedback from the team as well as new ideas in the decision making process. In this case the team needs coaching because the members are inexperienced; however, they also need inspiration and support so as to build self-confidence, empowerment and engagement. The coach listens, advices and supports the members of the team as they gain skills so as to learn and complete the project easily and autonomously next time.

- **Supporting:** appropriate when there is low willingness, but high ability to do the job. This time the leader has to figure out what is missing so as to support his/her team. Supportive leadership is all about listening, motivating team members and building confidence and commitment.

- **Delegating:** appropriate when there is both high willingness and high ability to complete the job. In this case leader shows great trust to their team and the team members need little supervision. Leader and team members both play an active role in the decision-making process as well as in the problem-solving process.

The situational leadership, according to Northouse (2007, p.91), has both directive and supportive dynamic. A situational-motivated leader realizes that the skills and motivation of any group member are not static and so the directive and supportive activities must likewise change according to the situation. This approach has been refined and
revised several times since its inception and has been used extensively in organizational leadership training and development.

Not recent but worth reporting in this research is the Lewin’s Leadership Styles that were developed in 1939, by a group of researchers led by the psychologist Kurt Lewin. This early study was very influential and established three major leadership styles [5]:

• Authoritarian/Autocratic: the “do as I say” style. There is no shared vision and little motivation. The Autocratic leadership style destroys commitment, loyalty, engagement, creativity and innovation.

• Democratic/Participative: this leadership style focuses on fairness, on employee participation in decision-making and problem-solving processes, and on their engagement. However, it may be one costly approach collecting everyone’s opinion and information and risky when the company is in a difficult position.

• Delegative/ Laissez-Faire: the leader places great responsibility on lower level managers and employees. In this case the leader allows others to make the decisions or solve the corporation’s problems. This leadership style would be appropriate in the case where one or more individuals know more about the job than the leader him/herself. However, this leadership style may arise problems due to lack of motivation.

In addition to these three leadership styles identified by Lewin and his colleagues, researchers have also described numerous other characteristic patterns of leadership. Two of those that are worth mentioning are:

• Transactional: first described by the sociologist Max Weber and further explored by Bernard M. Bass in the early 1980s. In this leadership style leaders promote compliance of their followers through rewards and punishments. Transactional leaders are interested in merely maintaining the status quo and are not interested in changes.

• Transformational: first described during the late 1970s and later expanded upon by Bass. This leadership style focuses on motivating and inspiring the followers as well as directing positive changes in teams. Transformational leaders
use expertise and knowledge to change their followers in such a way that their new personality will remain unchanged even after they are gone. These leaders are not charismatic or transactional, they just give the employees the chance to change, transform and in the end develop themselves. As a result, this leadership style is considered the most desired because it leads and supports people to develop. Transformational leaders tend to be forward-looking and they try to sell their ideas and vision to their followers.

**Culture**

The concept of culture has been defined in different ways (see Table 2 for a summary), but it generally refers to the assumptions, beliefs, norms, values and symbols that characterize a nation or organization and shape the behavior of people within it.

<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tyler (British anthropologist), 1870</td>
<td>“Culture... is that complex whole which includes knowledge, belief, art, morals, law, custom, and any other capabilities and habits acquired by man as a member of society.”</td>
</tr>
<tr>
<td>Kluckhohn, 1951</td>
<td>“National culture consists of patterned ways of thinking, feeling and reacting, acquired and transmitted mainly by symbols, constituting the distinctive achievements of human group, including their embodiments in artefacts...”</td>
</tr>
<tr>
<td>Banks, J.A., Banks, &amp; McGee, C. A., 1989</td>
<td>“The essence of a culture is not its artifacts, tools, or other tangible cultural elements but how the members of the group interpret, use, and perceive them. It is the values, symbols, interpretations, and perspectives that distinguish one people from another in modernized societies; it is not material objects and other tangible aspects of human societies. People within a culture usually interpret the meaning of symbols, artifacts, and behaviours in the same or in similar ways.”</td>
</tr>
<tr>
<td>Author</td>
<td>Definition</td>
</tr>
<tr>
<td>---------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>T.Schwartz, 1992</td>
<td>“Culture consists of the derivatives of experience, more or less organized, learned or created by the individuals of a population, including those images or encodings and their interpretations (meanings) transmitted from past generations, from contemporaries, or formed by individuals themselves.”</td>
</tr>
<tr>
<td>Hofstede, 1994</td>
<td>“Culture is the collective programming of the mind that distinguishes the members of one group or category of people from another”</td>
</tr>
<tr>
<td>Matsumoto, 1996</td>
<td>“... the set of attitudes, values, beliefs, and behaviors shared by a group of people, but different for each individual, communicated from one generation to the next.”</td>
</tr>
<tr>
<td>Spencer-Oatey, 2008</td>
<td>“Culture is a fuzzy set of basic assumptions and values, orientations to life, beliefs, policies, procedures and behavioral conventions that are shared by a group of people, and that influence (but do not determine) each member’s behavior and his/her interpretations of the ‘meaning’ of other people’s behaviour.’”</td>
</tr>
<tr>
<td>Schein, 1988</td>
<td>“Organizational culture is the deeper level of basic assumptions and beliefs that are: learned responses to the group's problems of survival in its external environment and its problems of internal integration; are shared by members of an organization; that operate unconsciously; a basic &quot;taken-for-granted&quot; fashion in an organization’s view of itself and its environment”</td>
</tr>
<tr>
<td>Gardenswartz et al., 2003</td>
<td>“Corporate culture is a combination of widely shared institutional beliefs, values, and the organization’s guiding philosophy that is usually stated in its vision, mission, and values statements”</td>
</tr>
</tbody>
</table>

As we can see there is no single definition for national or organizational culture; however, one can certainly conclude from the above that it concerns the collection of ways, ideas, beliefs, values and norms that defines a group of people. Hofstede, 1994
argued that: “Culture is learned, not inherited. It derives from one’s social environment, not from one’s genes. Culture should be distinguished from human nature on one side, and from an individual’s personality on the other, although exactly where the borders lie between human nature and culture, and between culture and personality, is a matter of discussion among social scientists.”

Hofstede’s Research on Culture

Geert Hofstede (1984, 1985, and 2001) conducted research on IBM employees in 40 countries (Original IBM studies) and discovered that cultural values strongly influenced relationships both within and between organizational divisions.

Hofstede’s dimensions of national culture

The dimensions of national cultures (values), as far as Hofstede is concerned are the following [7] [8]:

- **Power distance**; the degree to which the members of the society accept that the country’s system is unfair. High power distance translates in a more autocratic leadership style, whereas, low power distance translates in a more equal system, where people prefer to participate and thus prefer a democratic leader.

- **Uncertainty avoidance**; the degree to which people of a community don’t like changes and feel more safe and comfortable experiencing familiar situations. In countries where there is high uncertainty avoidance culture, people like to follow certain rules and norms, whereas, in low uncertainty avoidance cultures people tend to be more relaxed without rules and norms to follow.

- **Individualism vs Collectivism**; people that prefer being part of a society where self-importance and autonomy are priority in oppose to people that prefer being part of a society where high importance and priority is given to the family, or the group.

- **Masculinity vs Femininity**; masculinity translates to a society where social gender roles are clearly distinct. On the contrary, femininity translates to a society where social gender roles are not clear.
• **Long-Term Orientation**: the tendency to adopt behaviors, beliefs, procedures and policies oriented towards future rewards.

• **Indulgence versus Restraint**: indulgence societies allow people to be satisfied and happy, desiring and enjoying life, whereas, restraint societies allow people to feel happy and free surrounded though by strict norms.

Hofstede’s dimensions of organizational culture

However, because the Hofstede dimensions of national cultures could not help in comparing organizations within the same country a second research was conducted by Geert’s institute, IRIC, across 20 organizational units in Denmark and the Netherlands in the 1980s, identifying (1997) six independent dimensions of organizational cultures (practices) [7] [8]:

• **Process oriented vs Results oriented**: in a process-oriented culture importance is given on how the work gets done and on the way employees work. On the contrary, in a results-oriented culture importance is given on the result, the completion of the project.

• **Employee oriented vs Job oriented**: in an employee-centered culture leaders care about the employees’ welfare, whereas, in a job-centered culture, focus is given to performance and results even if it is at the expense of employees.

• **Parochial vs Professional**: in a parochial organizational culture, employees’ behavior is shaped and identified with their manager and their colleagues. Hence, this working environment is defined by low level of diversity, since all must act, look, and talk in a certain way. In a professional culture, however, employees identify with their type of work.

• **Open system vs Closed system**: in an open system, new employees and partners are welcomed easily. In a closed system, however, newcomers have to prove themselves.

• **Loose control vs Tight control**: in a loose control culture, the working environment is loose, relaxed, however, unpredictable, and accompanies high level of innovation. Adaptability though is required. In a tight control culture, the work-
ing environment is set by rules and policies and thus there is room for planning, which leads to efficiency and productivity.

• Normative vs Pragmatic; in pragmatic cultures the work is market driven and so people, results and the ability to meet customer needs are more important than following the procedures. In normative cultures though people, and following organizational procedures are more important than the results.

Culture and Leadership connection
Many researchers, like Schein, 1992 and Siehl, 1985, have argued that the role of leadership is to create organizational culture and make sure it remains even after the leader responsible is gone. Equally, researchers like Hennessey, 1998 argued that the ability for people inside an organization to understand, respect and work with a certain culture it’s a result of leadership effectiveness. House et al., also, argued that leaders should respect the organizational culture they step into and be guided by it. That is why; cross-cultural leadership has been developed throughout the years, to help leaders who work in the globalized market. International corporations, like the ones we are going to examine in the research, need leaders and managers that can adjust their management style to different working environments and organizational cultures quickly and cooperate with people of other cultures (House et al., 2001).

As we understand from the above, culture and leadership are connected, however, separated also. That is because organizational culture can be developed with or without the involvement of the leader; but in order organizations to sustain an effective corporate culture constant development is required so as to follow rapid changes.

House’s Research on Culture-The GLOBE study
What has Robert J. House taught us through his Global study of 62 societies is that the definition and content of leadership varies considerably from culture to culture and that “one size does not fit all”. According to House et al. (2004), “Executives need to develop in demand leadership traits, shaped from the unique culture within which they work.”
House’s dimensions on national culture

GLOBE (Global Leadership and Organizational Behavior Effectiveness) Project Team did develop the most concise research on national cultural dimensions until today. The project team used the Hofstede’s original 1980 research findings (Hofstede, 1980) and explored differences of cultures among countries. The GLOBE Project of 62 societies was developed in 1991 by Robert J. House of the Wharton School of the University of Pennsylvania. For its development House et al. got in touch with 170 co-investigators in several countries as well as 14 members including coordinators and research associates. The entire team collected data from 17,300 middle managers in 951 organizations [11].

The project’s overall purpose, as identified by House, was to examine:

- How differences in culture are related to differences in approaches to leadership
- How different cultures view leadership behavior in others

Therefore, the research identified nine cultural dimensions and grouped the 62 countries into ten convenient societal clusters (Javidan & Dastmalchian, 2009).

GLOBE’s cultural dimensions (Culture, Leadership and Organizations. The Globe Study of 62 societies, 2004) are partly different from those identified by Hofstede. Those are [11]:

- *Power distance*; the degree to which employees expect power to be distributed equally.
- *Uncertainty avoidance*; the extent to which an organization is comfortable with uncertain situations.
- *Humane orientation*; the degree to which the organization rewards individuals for being fair, altruistic, generous, caring and kind to others.
- *Collectivism I (institutional)*; the degree to which the organization encourages and rewards the collective distribution of resources as well as the synergy and cooperation.
• **Collectivism II (in group)**; the degree to which individuals inside the organization express pride, loyalty, engagement and cohesiveness.

• **Assertiveness**; the degree to which individuals in the organization are assertive and aggressive with their colleagues, partners or people outside the organization.

• **Gender Egalitarianism**; the degree to which an organization minimizes gender discrimination.

• **Future orientation**; the extent to which the organization focuses on sustainability and guides individuals to engage in future oriented behaviors.

• **Performance orientation**; the degree to which an organization encourages, trains, coaches, supports and rewards group members for their performance improvement and excellence.

For the GLOBE team the above nine cultural dimensions are very important because based on those could leadership approaches within geographic clusters be compared and contrasted. The geographic clusters include Confucian Asia, Southern Asia, Latin America, Nordic Europe, Anglo, Germanic Europe, Latin Europe, Sub-Sahara Africa, Eastern Europe where Greece belongs and Middle East. Hence, this way they could identify similarities and differences among various societal and organizational cultures.

According to House et al (2004) *Culture, Leadership, and Organizations*; the GLOBE Study of 62 Societies, leadership is influenced by the corresponding culture and has direct effect on organizational performance and success. And that is the reason why the GLOBE team, after the nine cultural dimensions, studied practices (as is) and values (as should be) within each of the nine cultural dimensions both in societal and organizational level; to examine the extent to which those practices and values associated with leadership are universal. This survey resulted in 21 primary leadership dimensions (called First Order Factors), Figure 3, which the team grouped into six universally shared conceptions of leadership.
Figure 3 shows the Primary Leadership Dimensions.

<table>
<thead>
<tr>
<th>The Primary Leadership Dimensions (also called First Order Factors)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administratively Competent</td>
</tr>
<tr>
<td>Autocratic</td>
</tr>
<tr>
<td>Autonomous</td>
</tr>
<tr>
<td>Charismatic / Visionary</td>
</tr>
<tr>
<td>Charismatic / Inspirational</td>
</tr>
<tr>
<td>Charismatic / Self-sacrificial</td>
</tr>
<tr>
<td>Conflict inducer</td>
</tr>
</tbody>
</table>

Figure 3: Grovewell LLC (Source: http://www.grovewell.com/wpcontent/uploads/pub-GLOBE-intro.pdf)

Global Leadership Dimensions

The "Global leadership dimensions" or "Culturally endorsed implicit leadership (CLT) dimensions" are [11]:

- **Charismatic or value based;** performance oriented by appearing visionary, inspirational and self-sacrificing; can also be toxic.
- **Team-oriented;** pride, loyalty and collaboration among the members of the team. Inspires team cohesiveness and common purpose goals.
- **Self-protective or group-protective;** face saving, procedural behaviour capable of inducing conflict when necessary while being conscious of status. Focuses on the safety and security of the individual and the group.
- **Participative (non-autocratic);** encourages input from others in decision-making and implementation, supportive of those who are being led. Emphasizes on delegation and equality.
- **Human orientation;** modesty, generosity and compassion for others in an altruistic fashion.
- **Autonomous;** independent, self-centric approach to leadership.

These six dimensions of leadership must not be mistaken as successful forms of leadership rather than ways to distinguish effective and ineffective leaders worldwide. Together culture and leadership dimensions can distinguish one country’s behavior from another (see Figure 4) [11].
Figure 4 shows Societal clusters and Leadership styles as identified by the GLOBE study.

<table>
<thead>
<tr>
<th>Performance Oriented</th>
<th>Team Oriented</th>
<th>Participative</th>
<th>Humane</th>
<th>Autonomous</th>
<th>Self or Group Protective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Higher</td>
<td>Higher</td>
<td>Higher</td>
<td>Higher</td>
<td>Higher</td>
<td>Higher</td>
</tr>
<tr>
<td>Anglo Germanic</td>
<td>SE Asian Confucian</td>
<td>Germanic Anglo Nordic</td>
<td>SE Asian Anglo Nordic</td>
<td>Germanic E. European Confucian Nordic</td>
<td>Middle Eastern Confucian SE Asian L. American E. European</td>
</tr>
<tr>
<td>Nordic</td>
<td>L. American</td>
<td>L. European</td>
<td>African</td>
<td>SE Asian Angel</td>
<td>African Confiucion</td>
</tr>
<tr>
<td>SE Asian</td>
<td>African</td>
<td>L. European</td>
<td>Middle Eastern</td>
<td>Nordic</td>
<td>L. European</td>
</tr>
<tr>
<td>L. European</td>
<td>Nordic</td>
<td>SE Asian</td>
<td>Confucian Middle Eastern</td>
<td>L. European</td>
<td>L. American</td>
</tr>
<tr>
<td>L. American</td>
<td></td>
<td>E. European</td>
<td>Middle Eastern Confiucion</td>
<td>Nordic</td>
<td>L. European</td>
</tr>
<tr>
<td>Confucian</td>
<td>E. European</td>
<td>L. European</td>
<td>African</td>
<td>L. American</td>
<td>E. European</td>
</tr>
<tr>
<td>African</td>
<td></td>
<td></td>
<td>African</td>
<td>L. American</td>
<td>E. European</td>
</tr>
<tr>
<td>E. European</td>
<td></td>
<td></td>
<td>African</td>
<td>L. American</td>
<td>E. European</td>
</tr>
</tbody>
</table>

Figure 4: House et al., 2004 (Source: [http://www.inspireimagineinnovate.com/pdf/globesummary-by-michael-h-hoppe.pdf](http://www.inspireimagineinnovate.com/pdf/globesummary-by-michael-h-hoppe.pdf))

As we can see from Figure 4, the Autonomous style of leadership is the highest in rank for the Easter Europe including the Greeks, indicating that this style is more important than any other style.

However, the GLOBE project identified a list of leadership attributes, universally endorsed by 17,000 people in 62 countries as positive aspects of effective leadership. GLOBE study identified 22 valued leadership attributes, characteristics that facilitate outstanding leadership. GLOBE study also identified attributes viewed as obstacles to effective leadership, characteristics that hinder effective leadership (see Figure 5) [11].
Figure 5 shows Universal and Culturally contingent leader characteristics as identified by the Globe study.

<table>
<thead>
<tr>
<th>'Universal' Leader Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contribute to a Person Being Seen as an Outstanding Leader</td>
</tr>
<tr>
<td>Trustworthy</td>
</tr>
<tr>
<td>Just</td>
</tr>
<tr>
<td>Honest</td>
</tr>
<tr>
<td>Foresight</td>
</tr>
<tr>
<td>Plans ahead</td>
</tr>
<tr>
<td>Encouraging</td>
</tr>
<tr>
<td>Positive</td>
</tr>
<tr>
<td>Dynamic</td>
</tr>
<tr>
<td>Motive arouser</td>
</tr>
<tr>
<td>Confidence builder</td>
</tr>
<tr>
<td>Motivational</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Inhibit a Person from Being Seen as an Outstanding Leader</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loner</td>
</tr>
<tr>
<td>Asocial</td>
</tr>
<tr>
<td>Indirect/Non-explicit</td>
</tr>
<tr>
<td>Non-cooperative</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Culturally Contingent Leader Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anticipatory</td>
</tr>
<tr>
<td>Ambitious</td>
</tr>
<tr>
<td>Autonomous</td>
</tr>
<tr>
<td>Cautional</td>
</tr>
<tr>
<td>Class conscious</td>
</tr>
<tr>
<td>Compassionate</td>
</tr>
<tr>
<td>Cunning</td>
</tr>
<tr>
<td>Dominating</td>
</tr>
<tr>
<td>Elitist</td>
</tr>
<tr>
<td>Enthusiastic</td>
</tr>
<tr>
<td>Evasive</td>
</tr>
<tr>
<td>Formal</td>
</tr>
<tr>
<td>Habitual</td>
</tr>
<tr>
<td>Independent</td>
</tr>
<tr>
<td>Indirect</td>
</tr>
<tr>
<td>Individualistic</td>
</tr>
<tr>
<td>Intra-group competitor</td>
</tr>
<tr>
<td>Intra-group conflict avoider</td>
</tr>
</tbody>
</table>

Figure 5: House et al., 2004 (Source: [http://www.inspireimagineinnovate.com/pdf/globesummary-by-michael-h-hoppe.pdf](http://www.inspireimagineinnovate.com/pdf/globesummary-by-michael-h-hoppe.pdf))


The GLOBE study is a significant study, very recent, and also the only study to indicate and analyze how leadership styles are connected with cultures in all parts of the world.
Harry Triandis (2004), one of the top analysts in cross-cultural research views the Globe project as “The Manhattan Project of the study of the relationship of culture to conceptions of leadership”. The findings of GLOBE are valuable because they arise from rigorous research and because the definitions that House et al. (2004) give to cultural dimensions are more expansive than the ones given by Hofstede.

I will now analyze Greek leadership styles in light of findings from Hofstede’s study and the GLOBE Project. I will then deepen and enrich my analysis based on data collected by the interviews I personally conducted from Greek managers in multinational corporations and family-owned businesses.
Greek management and leadership style

The investigation of the Greek management and leadership style is extremely difficult because there is a limited number of studies in the field. According to Professor Nancy Papalexandris (1999), “every researcher looking into organizations in Greece, comes across two main realities which keep recurring all the time. First, the fact that societal culture has a very strong influence on the way firms and their members are operating and second that managerial practices which are normally perceived as reasonable, fair and worth following cannot be implemented unless the appropriate organizational culture and leadership style exist.”

Previous Research

The first thing worth mentioning is the fact that Harrison (1972) and Handy (1980) developed a research and a framework that used four gods of the Greek mythology as metaphors to understand leadership styles, by associating each of the four gods to a type of organizational culture. More specifically:

- The Club Culture (Zeus): Zeus, the king of gods who is feared and respected by all other gods. He symbolizes the paternalistic management style with exceptional benevolent power, impulsiveness and charisma.
- The Role Culture (Apollo): this culture gives emphasis on the roles rather than personalities. Thus, high importance to functions, divisions, roles, and responsibilities. Employees are parts of the big machine/organization, just doing what they are supposed to do.
- The Task Culture (Athena): this culture gives emphasis on expertise and places as the most important task that of the problem-solving.
- The Existential Culture (Dionysus): inside this culture individual believe that everybody is in charge of his or her own destiny. Thus, individualism is very high and self-interest also. However, in this type of culture employees are not just subordinates but they actually are there to help the organization reach its goals through participation and cooperation.
Years later, Bourantas et al. (1990) conducted a research among Greek managers asking them to describe their organizational culture as it is and as they would prefer it to be, using Handy’s framework as a lens to distinguish between different types of culture. Results from this study are reported in Figure 6.

Figure 6 shows the types of organizational culture in Greek enterprises. Perceived and preferred dominant culture types in different groups of the sample (% of respondents, n=585)

<table>
<thead>
<tr>
<th>Culture Types</th>
<th>Perceived Dominant Culture Types</th>
<th>Preferred Dominant Culture Types</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Public</td>
<td>Private</td>
</tr>
<tr>
<td>Zeus</td>
<td>41.0%</td>
<td>29.3%</td>
</tr>
<tr>
<td>Apollo</td>
<td>39.5%</td>
<td>37.1%</td>
</tr>
<tr>
<td>Athena</td>
<td>17.9%</td>
<td>29.3%</td>
</tr>
<tr>
<td>Dionysus</td>
<td>1.5%</td>
<td>4.3%</td>
</tr>
</tbody>
</table>

**Source:** Adapted from Bourantas et al. (1990)

**Note:** 138 organizations participated (64 private, 22 public and 32 mixed). The instrument was sent to some 2,250 supervisory and managerial personnel. The analysis performed involved data from 585 (20% usable questionnaires). For further details on sampling and analytical methods refer to Bourantas et al. (1990).

The biggest differences of what is and what is proffered to be, are found between the Power culture (Zeus) and the Role culture (Apollo). However, in the overall sample of respondents, the significant majority of 68.4% of Greek managers prefer Athena, a problem-solving oriented philosophy, as the dominant culture type for their organization. Apollo (role type) comes second with 16.3%, while Zeus (power) is the least preferred type of organizational culture ranking 3.5%.

It is important to remember that these findings resulted from the managers’ point of view; followers/employees may have different preferred management styles.

In a second empirical research, Bourantas (1988) asked for Greek managers’ perceived and preferred leadership styles. In order to be able to complete a quantitative re-
search, managers were presented with a description of four leadership styles: autocratic, persuasive, consultative and participative. The description of these leadership styles was a replica of Hofstede’s own description (1976), and included a shortened version of Tannenbaum and Schmidt’s (1973) leadership continuum.

Figure 7 shows Perceived and Preferred leadership styles of Greek managers.

<table>
<thead>
<tr>
<th>Perceived Styles</th>
<th>Preferred Styles</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Autocratic</td>
</tr>
<tr>
<td>• Autocratic</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>0.7</td>
</tr>
<tr>
<td>• Persuasive</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>0</td>
</tr>
<tr>
<td>• Consultative</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>0.9</td>
</tr>
<tr>
<td>• Participative</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>0.2</td>
</tr>
<tr>
<td>Total</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>1.8%</td>
</tr>
</tbody>
</table>

Source: Adapted from Bourantas (1988)

According to the findings (see Figure 7), 24.5% of the respondents perceived the leadership style of their superiors as autocratic, 22% as persuasive, 40.2% as consultative, and 13.3% as participative. However, the majority of the respondents (62.6%) preferred to be managed by their superiors in a consultative way, while 24.6% expressed that they prefer the participative style. The autocratic and persuasive styles accounted only for 1.8% and 11.1% respectively.

Later, Greece participated in the GLOBE study with ten corporations (four from the banking sector and six from the telecommunications sector) and two questionnaires (distributed to 235 middle managers) [31]. The participants were asked to select and
comment on leaders from historical/political and business areas. A media analysis also examined articles describing outstanding business leaders.

This analysis highlighted the ability of Greek leaders to climb to top positions, their persistence, and intelligence as well as their ability to overcome obstacles of the external environment. Their entrepreneurial ability also seemed very important (see Figure 8).

Figure 8 illustrates the Greek managers’ characteristics according to the articles.

<table>
<thead>
<tr>
<th>CHARACTERISTICS</th>
<th>FREQUENCIES</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experienced</td>
<td>88</td>
<td>30.14</td>
</tr>
<tr>
<td>Intelligent</td>
<td>27</td>
<td>9.25</td>
</tr>
<tr>
<td>Decisive</td>
<td>25</td>
<td>8.56</td>
</tr>
<tr>
<td>Innovative</td>
<td>19</td>
<td>6.51</td>
</tr>
<tr>
<td>Good administrator</td>
<td>18</td>
<td>3.16</td>
</tr>
<tr>
<td>Risk Taker</td>
<td>14</td>
<td>4.79</td>
</tr>
<tr>
<td>Inspirational</td>
<td>11</td>
<td>3.77</td>
</tr>
<tr>
<td>Enthusiastic</td>
<td>9</td>
<td>3.08</td>
</tr>
<tr>
<td>Forecaster</td>
<td>9</td>
<td>3.08</td>
</tr>
<tr>
<td>Independent</td>
<td>9</td>
<td>3.08</td>
</tr>
<tr>
<td>Cooperative</td>
<td>7</td>
<td>2.40</td>
</tr>
<tr>
<td>Encouraging</td>
<td>6</td>
<td>2.05</td>
</tr>
<tr>
<td>Sincere</td>
<td>6</td>
<td>2.05</td>
</tr>
<tr>
<td>Problem-solver</td>
<td>5</td>
<td>1.71</td>
</tr>
<tr>
<td>Improver</td>
<td>4</td>
<td>1.37</td>
</tr>
<tr>
<td>Positive</td>
<td>4</td>
<td>1.37</td>
</tr>
<tr>
<td>Well prepared</td>
<td>4</td>
<td>1.37</td>
</tr>
<tr>
<td>Fair</td>
<td>3</td>
<td>0.68</td>
</tr>
<tr>
<td>Diplomatic</td>
<td>3</td>
<td>1.03</td>
</tr>
<tr>
<td>Emulator</td>
<td>3</td>
<td>1.03</td>
</tr>
<tr>
<td>Mind-stimulator</td>
<td>3</td>
<td>1.03</td>
</tr>
<tr>
<td>Unique</td>
<td>3</td>
<td>1.03</td>
</tr>
<tr>
<td>Calm</td>
<td>2</td>
<td>0.68</td>
</tr>
<tr>
<td>Clear-concrete</td>
<td>2</td>
<td>0.68</td>
</tr>
<tr>
<td>Consultative</td>
<td>2</td>
<td>0.68</td>
</tr>
<tr>
<td>Orderly</td>
<td>2</td>
<td>0.68</td>
</tr>
<tr>
<td>Mediator</td>
<td>2</td>
<td>0.68</td>
</tr>
<tr>
<td>Morale booster</td>
<td>1</td>
<td>0.34</td>
</tr>
<tr>
<td>Formal</td>
<td>1</td>
<td>0.34</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>292</strong></td>
<td><strong>100.00</strong></td>
</tr>
</tbody>
</table>

Source: Papalexandris (1999)

As we can see from Figure 8, from the one hundred and fifty top managers that were included in the research, everyone was attributed more than one characteristic. Thus,
almost 30% of them shared the most important characteristic for their success, which is experience. Other characteristics were intelligence, decisiveness, innovation, administrative ability, risk taking ability and last but not least their ability to inspire. As we can notice though, these characteristics partly differ from the “universal” leader characteristics outlined by Northouse (2007), and that is due to the problematic distinction between the manager and the leader occurring in Greek corporations. In fact, there is no corresponding translation of the word “manager” in the Greek language. The top level position in Greek businesses is that of the director; which means that Greek managers still carry their obligations in a more directive and controlling approach.

Alexander (1968) argued in his research that the autocratic management style of the Greeks was a consequence of the family structure and the lack of separation between ownership and management. From the beginning, organizations were directly managed by their owners; however, when corporations grew and entered the stock market ownership and leadership were separated; those owning the company were no longer the ones managing the day-to-day work. This is true also for the subsidiaries of multinational corporations located in Greece but not for SMEs/Family-owned businesses located in Greece. [18]

GLOBE project on Greece

The project as pre-noted has the principal goal of determining how societal culture influences executive leadership behavior and effectiveness. Thus, we are going to consult the GLOBE project as far as Greece is concerned in combination with information resulted from the interviews, examine the Greek societal culture and connect it to the effective and ineffective leadership traits presented by the Greek managers.
Figure 9 illustrates Scores of Greece on practices and values corresponding to GLOBE’s dimensions of culture.

### GLOBE RESULTS ON GREEK SOCIETAL CULTURE

<table>
<thead>
<tr>
<th>Societal Culture Dimension</th>
<th>Society As Is</th>
<th>Country Ranking</th>
<th>Group Ranking</th>
<th>Society Should Be</th>
<th>Country Ranking</th>
<th>Group Ranking</th>
<th>Difference between As is &amp; Should be</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance Orientation</td>
<td>3.20</td>
<td>51</td>
<td>C</td>
<td>5.81</td>
<td>39</td>
<td>B</td>
<td>2.61</td>
</tr>
<tr>
<td>Future Orientation</td>
<td>3.40</td>
<td>51</td>
<td>C</td>
<td>5.19</td>
<td>48</td>
<td>B</td>
<td>1.79</td>
</tr>
<tr>
<td>Assertiveness</td>
<td>3.42</td>
<td>58</td>
<td>C</td>
<td>5.21</td>
<td>56</td>
<td>C</td>
<td>-0.21</td>
</tr>
<tr>
<td>Collectivism 1: Societal Emphasis</td>
<td>3.25</td>
<td>51</td>
<td>C</td>
<td>5.40</td>
<td>5</td>
<td>A</td>
<td>2.15</td>
</tr>
<tr>
<td>Gender Egalitarianism</td>
<td>3.48</td>
<td>29</td>
<td>B</td>
<td>4.89</td>
<td>16</td>
<td>A</td>
<td>1.41</td>
</tr>
<tr>
<td>Human Orientation</td>
<td>3.34</td>
<td>59</td>
<td>D</td>
<td>5.23</td>
<td>48</td>
<td>B</td>
<td>1.89</td>
</tr>
<tr>
<td>Power Distance</td>
<td>5.40</td>
<td>21</td>
<td>A</td>
<td>2.39</td>
<td>52</td>
<td>D</td>
<td>-3.01</td>
</tr>
<tr>
<td>Collectivism 2: Family Loyalty</td>
<td>5.27</td>
<td>35</td>
<td>B</td>
<td>5.46</td>
<td>41</td>
<td>B</td>
<td>0.19</td>
</tr>
<tr>
<td>Uncertainty Avoidance</td>
<td>3.39</td>
<td>57</td>
<td>D</td>
<td>5.09</td>
<td>17</td>
<td>A</td>
<td>1.70</td>
</tr>
</tbody>
</table>

Source: House et al. (2004)

**Performance orientation**

Greece’s score on performance orientation is the lowest of all cultural dimensions, recording 3.2. However, the score of 5.81 on values show that people recognize that performance orientation should be set higher. This happens because; although Greeks are great achievers as far as a project completion is concerned, they fail on recognizing great performance. In addition, managers do not motivate or reward their employees enough and as a result they end up with job dissatisfaction, low productivity and disengagement. Recruiter.com’s Shala Marks warns, “People don’t quit jobs, they quit managers.”

**Future orientation**

In this dimension of culture, Greece scored 3.4, a bit higher but still low and not as high as people recognized it should be (5.19). This could mean that organizations maintain a short-term orientation, lack of vision, or at least their attempt to share this vision with
their followers and motivate them to be oriented towards the future, fails. Greeks have the “seize the day” point of view on their daily basis and they do not concentrate on long-term perspectives. Thus, managers need to develop organizational culture so as to include emphasis on working for future success and sustainability, on the ability to be flexible and adaptive as well as on the ability to view material success and spiritual fulfilment as an integrated whole.

**Assertiveness**

At this dimension, values and practices almost match one another and even show that people are encouraged to be tough, dominant and aggressive more than they actually should be. This sometimes translates in encouraging competition “The stronger wins”. However, the score on assertiveness for Greece is quite low. Although there is great competition inside the working environment and the notion that the best is going to stand out and develop, managers especially in multinational corporations do not wish aggressive behavior and back-stabbing to affect employees’ performance. Maybe that is because they are influenced by the organizational culture and business ethics of the parent company and so the competitive nature of the Greek culture gets absorbed.

**Collectivism I**

This score of 3.25 is one of the lowest, indicating that the structure of the organizations in fact does not support cooperative behavior. The difference between “As is” and “As should be” is remarkable. As pre-noted in our study Greek managers and leaders do to support the participative leadership style and they follow the top-down and hierarchical style. Considering the paternalistic style of the family businesses in Greece, those in power take all the responsibility and credits in terms of success and they also are encouraged to not depend on subordinates. Team spirit and cooperation are qualities that one does not meet often at Greek corporations. Sometimes employees are asked to see the firm as family, which is a very productive point of view because if we think that Greeks are ready to support and sacrifice for their family members, this could inspire loyalty and engagement. However, most of the time managers as good listeners and effective managers they can be, they treat employees just like human resources and not their family. Top level managers will do whatever it takes to achieve
this short-term success, even support outsourcing to reach the goal instead of training and trusting their personnel. Thus, managers need to transform organizational culture and make their people feel an irreplaceable part of the firm and its vision.

**Gender egalitarianism**

This score is one of the highest for Greece and with a small difference between “As is” and “As should be”. This shows that Greek society is quite democratic and considering its past Greek women nowadays have certainly grown and developed throughout the years and as a result equal treatment for both men and women is the ultimate goal. More specifically, the recently designed National Program for Substantive Gender Equality 2010-2013 has four strategic goals:

- To defend the rights of all women through promotion of gender equality and reduction of gender discrimination
- To prevent and fight all forms of violence against women
- To support employment and economic independence of women and
- To make use of cultural creativity for the purpose of promotion of gender equality


**Humane orientation**

One of the highest differences between “As is” and “As should be”, is shown in the Humane orientation dimension and it indicates that the Greek society according to its people must be more caring and protective towards its citizens. The results actually show that Greeks have a great desire for stronger humane orientation. Particularly, Greek society and organizations support that one's own self-interest perspective and thus, people are motivated to work and fight for power and material possessions. In addition, people most often are not encouraged to participate or exercise teamwork inside the workplace.
**Power distance**

Greece shows the highest score (5.4) in this cultural dimension and the highest difference between “As is” and “As should be”. Greek managers participating in the Globe’s research admit that there is a significant gap between the different levels of the organization due to the top-down and hierarchical style. A person that is not familiar with the Greek society may perceive from the Globe’s results that Greeks’ opinions are not taken into consideration and that people are kept in distance. Maybe this is partly true from the top managers and organization’s structure point of view. However, Greeks have the tendency to challenge, question authority and react whenever they feel that their rights are violated. Hence, Greeks sure feel the desire for a more egalitarian and participatory society and working environment.

**Collectivism II**

Second in rank is the score of Collectivism II (5.27) and notes the second lowest difference between practice and value. Based on definition this dimension reflects the degree to which individuals express pride; loyalty and cohesiveness in their organizations or families. The family bonds and relationships are very important to Greeks; they are strong and unbreakable resulting in the efficiency of small-medium Greek businesses/family-owned businesses. The majority of Greek SMEs preserve their family character and sometimes the creation of them is based on the need to create a safe working environment for members of the family. Collectivism II and Assertiveness dimensions are the only ones where Greeks feel that the society approaches the desired state.

**Uncertainty avoidance**

As shown from the scores, Greece does not avoid uncertainty as much as its citizens want to. As a society as well as in terms of organizational culture Greece is on board with taking risks and shows only moderate resistance to change. Sometimes it’s good and sometimes it cannot face the emergency and difficult situations that come with the experiencing of new things. This awareness that runs through people’s minds must be put in action in the decision-making and action-taking process. This dimension however is directly connected to the future orientation dimension. People cannot pre-
dict what will happen if the actions they take have no future perspective, and also people are reluctant on making plans because they feel uncertain about the future. [23]

Hofstede on Greece

We can examine Greek national culture having in mind the dimensions of national culture by Hofstede (see Figure 10).

Figure 10 shows Scores of Greece on Hofstede’s dimensions of culture.

Source: http://geert-hofstede.com/greece.html

*Power Distance* (60/55, with the second being the world average)
In Greece, relationships among different levels of the organizational structure including top managers, middle-level managers, low-level managers, and employees are not very strong. Most of the time and by experience, subordinates expect guidance and instructions from upper level managers and supervisors to complete the job. There is a notion that managers are always right and their skills and abilities should not be questioned. Employees accept this notion; do not participate in decision-making and prob-
lem-solving processes. Furthermore, there is low motivation for cooperation and discussion on problems, necessary changes and effective ways of completing the job.

**Individualism vs Collectivism (35)**
In Greece, as previously noted, people are loyal and protective to one another. They value group unity and harmony more than individual success and that is why they support strong family relationships with their relatives and friends. From the employees’ perspective and desire, inside the working environment personal relationships, bonds, and moral values are stronger than individual success. People prefer to cooperate, and not compete with each other. However, this is how low and middle level managers see it and it can change if the top managers do not support cooperation.

**Masculinity vs Femininity (57/50)**
In Greece, as in many countries, there is still gender differentiation of roles. Family structure is traditional and so the father “governs” the family. In a working environment, the male dominates a significant portion of the power structure. There are only few women in upper and middle-level management positions and there is a significant gender wage gap. It is not that we are not going to see a female top manager; however, it is more likely that she has earned this position based on family bonds and not her experience and development within the organization.

**Uncertainty Avoidance (112 actually; the highest of all countries)**
Greeks, most often, follow career paths that provide job security and retirement benefits. This viewpoint is transferred from generation to generation. Children are advised from their parents to not choose a profession that has no future in Greece. Also, people have learned to need clear instructions, rules and to not be initiative because in the presence of a mistake they are the ones to blame. In addition, it is very common for the Greeks to start and end their career in the same organization; they hardly ever change job or career paths. Job rotation is also not something that we meet in family-owned businesses. Don’t forget that people in Greece score high in uncertainty avoidance. That is why managers usually prefer to maintain long-term relationships with partners that they already know and trust than try new ones and get out of their com-
fort zone; even though the new partnership could be better. According to the inter-
views they also do not feel comfortable in creating relationships with foreign partners;
they have trust issues and hence, they meet difficulties in an international business
environment. Maybe that is why managers from multinational corporations differ from
one another; managers that have been working in Greece and in other subsidiaries
worldwide seemed more open-minded and cool, when on the other hand managers
that have been working all their lives in Greece, although in a multinational corpora-
tions, seemed close-minded, scared, less spontaneous and willing to have a big change
in their lives.

Long-Term vs Short-Term Orientation (45)
In Greece, although in most firms, long-term sustainability is more important than
short-term profits; the Greek society is short-term oriented. Greeks prefer steadiness
and stability, as pre noted above (high uncertainty avoidance). Greeks have a huge his-
tory and that makes them respect tradition. However, that does not justify their hesi-
tation to implement new technologies, evolve, and change strategies. These character-
istics can become a barrier in fast moving markets and keep countries from being in-
novative and competitive. Steadiness and stability are not appropriate behaviors in
fast growing markets. Maybe this is why it has been so hard for Greek family busi-
nesses to compete with multinational corporations as far as technology, marketing,
knowledge, budget and governance is concerned, as well as to compete the low prices
of the emerging markets.
[19] [20]
Research Methodology

Although the above information seemed helpful to analyze the Greek leadership traits and style in general, I used semi-structured interviews conducted via personal or online meetings to collect additional, more updated evidence. I followed two interview protocols (see Appendix) to gather information from managerial staff and workforce so as to capture the experience of managers in Greek organizations (Subsidiaries of multinationals and Family-owned businesses) and support the literature.

The advantages and disadvantages of my chosen method are the following:

- Large amount of information due to conversation with the interviewee
- Flexibility to differentiate
- Uncertain for the honesty and objectivity of participants
- Flexibility may risk reliability
- Open-ended questions are difficult to analyze
- Difficulty in comparing the answers directly

Nevertheless, I used this kind of methodology because a semi-structured interview is open, allowing new ideas to emerge during the interview. I wanted managers to feel free while talking, explaining and analyzing their role. However, the interview protocols were necessary and very useful indeed, and allowed flexibility to interview different participants in different ways.

The specific questions that my research aimed to answer were the following:

- What are the most common leadership styles in Greek enterprises?
- How do Greek managers motivate and lead to create productivity and sustainability?
- What are the most effective and ineffective traits of these leadership styles?
- How should Greek managers change their leadership style to improve the performance of their teams and organizations?
Findings

Subsidiaries of multinationals in Greece

I contacted ten General Managers and Human Resource Managers from subsidiaries of multinationals located in Greece from several industries to achieve diversification of views, backgrounds, experiences, cultures and goals to support efficiently this research. However, due to their heavy schedule only five were able to offer their ideas, insights and share organizational information. Due to confidentiality arrangements I will not mention their names and corporations but it is very important to refer to the industries they represent. In the present study respondents were taken from one consumer goods corporations, one pharmaceutical, one from hotels & resorts industry, and two corporations falling within the wider classification of telecommunications such as production of telecommunication equipment and production of software and multimedia applications. All these companies were subsidiaries of multinational corporations, operating in a dynamic and demanding environment. The parent company defined the bylaws, governance, and management structure of the subsidiaries.

Interview observations and data
Greek managers that had worked or were currently working abroad were more willing to answer the interview questions and to share information in general about the organization and the way it operated in Greece and abroad. These managers seemed more open-minded and less fearful to share some insights, and to offer comparisons between Greek businesses and International ones. Managers that had worked in Greece for their entire career seemed more reluctant to share organizational information, less open-minded, less confident, and less satisfied while talking about their workplace and position. In general they gave the impression of being unhappy with the way Greek businesses operate, and ensure about the existence of much room for change.

Nevertheless, the interviews went smoothly, and after their completion, it was easy to draw some similarities and differences among different experiences.
Firstly, all the managers interviewed agreed on the fact that there are certain guidelines and policies, regarding specific procedures and technical instructions as well as detailed description of the roles and goals, given by the headquarters that all subsidiaries must follow. However, the management team from the headquarters gives a certain portion of flexibility so as these guidelines can be supported by the corresponding political system, laws and culture. According to the manager of Hotels & Resorts industry they have a written policy saying: “Think globally. Act locally.”

Secondly, all managers agreed on six-month assessments where everyone is being evaluated, employees and managers, where everyone feel free to talk about hard working conditions, their satisfaction or dissatisfaction, even personal matters (mobility) that can make one feel or seem non-productive and most importantly these assessments offer a two-way discussion concerning problems, interests and certain changes. One part of the assessment is the so called “job rotation” and it concerns someone’s personal interest to change its position inside the organization and move from one department to another. In some organizations, like in the hotels and resorts industry and the telecommunications one, job rotation every three years is compulsory. This is a way to keep the employees’ interest alive, to help them understand what position they are more interested in and matches their abilities, knowledge, and character. It also helps them learn something new and offer these skills and talents to help the organization reach its goals. Managers care about their employees’ development and this is the reason why they support this kind of feedback.

Another similarity among them is the diversity that exists on every team, not only on nationality but on knowledge, skills and expertise. Charismatic managers are willing and free to choose and support training and coaching activities to help their team and every individual inside it to develop their knowledge and experience so as to support each other, to fill the gaps and to inspire and guide efficient collaboration and synergy among the members of the team. Inside these teams does not exist the belief of the best and worst member because everyone is important for the completion of the project. Every day and weekend activities (line canoeing) are also part of the program to inspire trust, respect and teamwork. And as a result we come to the point where we
understand that managers are trained through seminars on how to manage their teams, listen to them, and inspire feedback, collaboration, and self-development. Just because someone throughout the years climbs in the position of the manager or arrives in this position with his/her educational background does not mean that one possesses all the traits that make a leader effective. In some cases, like in the telecommunications industry, the managers themselves are trained to be empathetic through seminars and activities as well as to be effective coaches for their teams.

In addition, all these multinational corporations and as a result their managers support and execute motivational practices for their team members. There are certain policies that point out that motivational practice is important so as to inspire cooperation and engagement however it is up to each manager to choose the way of motivation. Some, in the Hotels & Resorts industry, choose to offer some privileges connected with the place in which they work as the use of the pool in certain days and hours, or the use of the restaurant for employees, their friends and family with certain discounts. Others offer bonuses in every assessment discussed above and free services. The managers interviewed believe and respect the view that a satisfied employee who feels part of the “family” is a productive employee because he/she cares about the sustainability of the organization. This also radiates fairness throughout the organization, because inside a “family” everyone is equal. According to the general manager of the hotel in Greece “If I see someone coming with his/her luggage and the bellboy is not in place, then I won't call him and keep the client waiting but I will carry the luggage myself.” This particular manager also pointed out that a good manager is also a leader and his definition of a leader was that he/she is a role model, because a leader has to be looked up by the employees and colleagues. A leader wants to be the individual that others aspire to be like in the present or the future. Hence, if one wants trust, fairness, team integration, modesty, humane orientation inside the organization or the team, he/she must aspire those qualities by being an effective leader.

Last but not least, the general vision and mission of the organization generated from the parent corporation as well as the organizational culture and business ethics are communicated to all subsidiaries worldwide and all managers and employees work
towards them. Managers have pointed out in the interviews that they all begin from low level positions and climb to the top, that they reach through experience higher places and they are not just placed there, and from day one they work as part of the big family, the parent family. In some cases, managers give opportunities to employees for creative thinking even in the face of failure just as long as they show that self-development is very important and that everyone and everyone's ideas count.

However, some observations resulted from the interviews have to do with negative characteristics attributed to the Greek culture; some similar to all managers and some unique.

First, the majority of respondents noted as a negative feature of Greece the fact of reorganization within the subsidiary. They talk about an unfair system where some people are placed in a position because they are relatives or friends and how they don’t reach this position through their long-time work in the company and experience. Here we need to note that the process of recruitment does not employ the headquarters but it is a purely autonomous process that concerns only the subsidiary. Thus, when the General Manager is Greek then the management of the subsidiary will surely reflect the Greek culture, which we will analyze through the Globe study.

Another negative characteristic is the fact that training seminars provided are fewer in Greece, because every region has its own budget coming from the parent company according to sales and profits. As we know Greece is in a very tough position because of the economic crisis and aspires less trust compared to other subsidiaries worldwide. In some cases, subsidiaries in Greece are neglected and marginalized. As a result, ineffective traits of Greek managers cannot change without proper training and coaching. And like a domino this has an impact to the whole management of the organization.

In addition, all agreed on the fact that Greeks are very competitive, always looking for personal evolution and they are very extreme. Some subsidiaries offer the possibility of the assessments as instructed from the headquarters, however people are not so comfortable to talk about their satisfaction or dissatisfaction, their personal problems
and their interest to change job position inside the organization because of the competition. Corporations abroad offer more opportunities for development and more career opportunities in general. Corporations in Greece have a limit to this development inside the organization and in general because of high levels of unemployment. As mentioned earlier, the higher position is that of the director/general manager. There is no higher position to the board of directors or to another department, there are limited opportunities and that produces competition. When competition exists, collaboration and synergy are at risk. However, according to the Human Resource manager of the corporation in the consumer goods industry, luckily these negative and ineffective traits are most of the time absorbed by the multicultural environment.

Furthermore, there is no diversity concerning skills, knowledge and experience within the teams. Because of the Greeks competitive nature everyone wants the best people in their team. In the parent company as the manager in the telecommunications industry noted they are instructed and trained to seek for diversity because more diverse personalities mean more successful teams.

Last but not least, one unique case of a negative characteristic is coming from one of the organizations in the telecommunications industry and one from the Hotels &Resorts industry. The first concerns the fact that some subsidiaries in Greece after given this right from the headquarters and in order to achieve the goals assigned are following the process of outsourcing. However, this is very bad for the confidence of the employees and their motivation. But most importantly an act like this makes them feel not part of the big “family”. This is something very different from what we have noted above about giving opportunities for creative thinking even with the possibility of failure. The second concerns the Greek culture and is about the fact that Greeks lose many opportunities for profits because of their hospitality. In particular, the general manager who notes a long career in many countries of the world did say that Greeks don’t have their mind on sales and profits when they want to be polite and hospitable.
Table 3: Most common effective traits of Greek leadership

<table>
<thead>
<tr>
<th>Effective traits</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experienced</td>
<td>“Starting from the lowest level positions one will climb even to the manager’s position. Experience makes one empathetic and connoisseur of the object and responsibilities of every employee in any level of the organizational structure” Manager, Company A, Hotels &amp; Resorts</td>
</tr>
<tr>
<td>Trustworthy</td>
<td>“Experience makes one trustworthy; he/she makes decisions based on experience and knowledge and not fast and trivially. Also experienced people lean to be more fair and support subordinates complete their job by coaching them” Manager, Company A, Hotels &amp; Resorts</td>
</tr>
<tr>
<td>Good listener</td>
<td>“Good listeners are the ones that support and accept feedback from employees. Through the assessments; a manager can learn many things about the workplace and his/her team members. This way leaders make themselves accessible to everyone; encourage people to ask questions; express concerns; advise; care” Manager, Company B, Telecommunications</td>
</tr>
<tr>
<td>Team oriented</td>
<td>“Diversity is the key and needs cooperation so as for one to complete and support the other for a common goal. Nobody is perfect; but a team can be. Team members share a failure but a success as well” Manager, Company B, Telecommunications</td>
</tr>
<tr>
<td>Decisive</td>
<td>“Experience and knowledge makes one decisive, take peoples’ needs and opinions into consideration but to be able to step forward and make a decision fairly and as fast as it needs to be based on deadlines” Manager, Company A, Hotels &amp; Resorts</td>
</tr>
</tbody>
</table>
Motivational  “Effective managers and leaders inside the organizations are trained and coached themselves through seminars how to motivate their team members and inspire them. Also how to make them feel part of the “family” and help them bond with each other” Manager, Company C, Consumer goods

Diplomatic  “It is a very difficult and tricky thing to keep everyone satisfied. The superiors and the subordinates; to care about the emotions of the employees but have your mind on the goal too. One must be diplomatic to have everything in order as well as the clients and the suppliers” Manager, Company D, Telecommunications

Fair  “Experience makes on fair because he/she knows the responsibilities and difficulties of almost every position inside the organization. Hence, when allocation of roles and responsibilities must take place, one knows what to expect and demand of every team member” Manager, Company C, Consumer goods

<table>
<thead>
<tr>
<th>Ineffective traits</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Competitive(job position)</td>
<td>“Competition is high sometimes due to the Greek culture that makes one always wanting to take all the credit and loose the good that derives from team-building, mutual trust and support as well as a healthy workplace in general. On the contrary competition may bring problems to the team” Manager, Company B, Telecommunications</td>
<td></td>
</tr>
<tr>
<td>Too hospitable/</td>
<td>“Employees abroad are more concentrated to the business. They</td>
<td></td>
</tr>
<tr>
<td>Issue</td>
<td>Description</td>
<td></td>
</tr>
<tr>
<td>-----------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>less business</td>
<td>don’t care about hospitality; they don’t develop any relationships with the clients. In Greece, employees are always polite, ready to start a conversation with anyone and in the end of the day just say “oh, the drinks are on me”. It is literally the only country that people care about human relations more that the business” Manager, Company A, Hotels &amp; Resorts</td>
<td></td>
</tr>
<tr>
<td>Low self-confidence</td>
<td>“We are just a small part of a huge corporation; others make the final decisions and here in Greece we are not their favorite people considering the economic crisis. They don’t exactly trust us. So managers are afraid to not make mistakes and that insecurity brings low self-confidence, which is a huge ineffective trait for a manager/leader” Manager, Company D, Telecommunications</td>
<td></td>
</tr>
<tr>
<td>Less transparent</td>
<td>“Sometimes different levels of the organization do not communicate effectively. Decisions and the reasons behind them are not communicated to all the departments. Poor transparency exists and makes few of us feel that we are not part of the family but we are here to follow some orders and complete the job” Manager, Company E, Pharmaceutical</td>
<td></td>
</tr>
<tr>
<td>Procedural</td>
<td>“Greece has high levels of bureaucracy and that makes managers more procedural than they need to be” Manager, Company B, Telecommunications</td>
<td></td>
</tr>
<tr>
<td>Face-saver</td>
<td>“Competition may lead one to be more self-interested, to load the mistake to a teammate or the subordinates so as to get away with a failure” Manager, Company E, Pharmaceutical</td>
<td></td>
</tr>
<tr>
<td>Non-participative (autocratic)</td>
<td>“There are many reasons for one to be autocratic. He/she may have appointed to a certain position because he/she knows someone in the workplace concerning the unfair recruitment system.</td>
<td></td>
</tr>
</tbody>
</table>
This way he/she is not experienced with the organizational culture or the needs of every team and can be less empathetic, more selfish and poor listener” Manager, Company D, Telecommunications

| Extreme   | “Greeks tend to think that the world has treat them wrong; that everyone owes them big time; which makes them a bit extreme when making decisions under pressure and due to their competitive nature they may be that extreme that they fail” Manager, Company C, Consumer goods |

As it results from the interviews, managers/leaders in subsidiaries of multinationals are quite effective on managing human capital. Sure, there are differences among them and ineffective traits listed as well, which correspond to the Greek culture, but not that big and numerous that we could consider them as problems that we need to solve. However, as mentioned earlier, I cannot guarantee the honesty of participants: maybe the rosy picture that they paint is really the case and maybe not.

After all, the Greek private sector is characterized by a striking dualism: on one hand, we have the subsidiaries of multinationals, and on the other hand, we have numerous SMEs, mostly family-owned. Hence, to produce some concrete conclusions we need to see the whole picture and that is why we need to investigate corporations that are influenced entirely by the Greek culture and do not integrate with the vision, culture and business ethics of the parent companies abroad. After all, across Europe, 70%-80% of enterprises are family businesses and they account for 40%-50% of employment. More specifically, Greece is the country in Europe with the highest percentage of family businesses (Kyriazopoulos and Samanta-Rounti, 2008).

Should we conclude that multinationals have a positive role to play in promoting more modern leadership styles?
To investigate this question, I used additional interviews to gather information from managerial staff and workforce to capture the experience of managers in Greek family-owned organizations.

**Family owned businesses / Owner-managed**

Gathering information about leadership styles in Greek family businesses was not easy. Family businesses in Greece are generally owned, managed and influenced by members of the family. The Greek family and the Greek business can frequently be referred to as the same. Even when family members are not directly involved in the business, they remain active and aware of what is going on. Also, in most firms, long-term sustainability is more important than short-term profits because owners want their children to inherit their work.

Family bonds in Greece are very strong and the line between work and home is very thin, which often causes problems including: business consulting becomes more personal, the family emotions and conflicts affect the working environment, the balance between personal life and work is fragile, family member competence is risky and family member level of remuneration causes problems. In addition, there may arise confusion between business and family matters, there may be poor governance and internal organization, owners may be so stuck in past techniques that there are no modern organizational structures, family members may lack on management education and there may be difficulty in attracting appropriate skilled personnel due to an unfair recruitment system.

However, family businesses are the backbone not just of the Greek private sector but also of the Greek society in a wider sense. After all, a family business environment is challenging, competitive and demanding and its only way to sustainable development is through professional management and effective organization.

**Interview observations and data**

Views, opinions and statements concerning management and leadership styles varied among the managers of family owned businesses in Greece or even from the same
manager that has worked to more than one family businesses; depending on the size of the firm and the years that the organization is functioning.

Respondents in this part of the research were taken from a clothing company, an importing goods company and a transportation company. One of them has worked also as a manager in a multinational corporation, one of them has worked as a manager in many medium sized corporations and one is working to a small family owned business. Interviews indicate that medium-sized family businesses function similarly to the subsidiaries of multinationals analyzed above.

Their management style is more participative than small firms and their organizational structure is more efficient and that is because, as a manager of a retail corporation confided, “the general manager did send a team to similar and profitable organizations abroad to investigate the management and leadership style as well as their organizational, motivational and human resource management practices so as to copy their successful recipe”. According to him, Greek medium-sized and better known businesses also have frequent assessments where everyone is being questioned about goals, results, level of satisfaction or dissatisfaction, unfair treatments etc. In addition, employees are free to offer feedback and participate in the decision making process. Every department is asked to appoint representatives to attend important meetings concerning the management of the organization, and to find ways to bring better results by optimizing communication and collaboration inside the organization. Job rotation, training seminars to improve the development of the employees are also supported by medium-size, owner-managed firms.

However, two managers agreed on the fact that although general managers tried to copy this proven and extensive recipe for success concerning patterns of management and leadership style, they were not ready or organized enough to be able to support them. Having in mind our competitive nature inside the working environment the leadership style cannot be participative enough so we meet transparency problems among the organizational levels. The Greek hierarchical style of management cannot
change from one day to the other. Hence, many people in medium corporations feel that they are not being heard.

In addition, the ineffective traits that we met in subsidiaries of multinational corporations that are connected to the Greek culture are even more evident in Greek owned businesses. The first thing worth mentioning is the unfair recruitment system where Greek managers are trying to offer work to relatives whether or not they are adequate to this position. So, one can meet a manager lacking knowledge and experience, but supervising people more capable than him/her. This manager will not eventually inspire respect and trust, leading to dissatisfaction in the long-term. Also, the competition levels are very high and that is because Greek businesses are less team oriented and actually support the notion “the best wins”, and employees are induced to care only for themselves and their responsibilities.

Small firms, owner-managed, adopt an even more paternalistic management and leadership style than the medium-sized ones. The manager and owner of the corporation, takes all the decisions and gives directions, instructions, rules and sets the goals. In these firms, feedback is not something that one can count on, neither are motivational techniques.

However, big and profitable corporations sure have a bigger budget to support better practices of management and leadership.
Conclusion

Greece is characterized by many contradictions like the combination of extreme and familiar, of modern and traditional. People are looking for strong collectivism while sticking to their individualism. As it seems, Greeks strongly desire for their society what they themselves are reluctant to practice and that is why there is a big gap between “as is” and “as should be”. To be an effective leader in Greece can be challenging and difficult because one must develop flexibility and deeper understanding of these characteristics of Greek culture. However, Greeks are very bright, easy going, relaxed and hard-working at the same time. Hence, with the right guidance and support they can and will offer more than expected.

My literature review revealed that little is known about leadership styles and their impact on organizational performance, especially in the emerging countries of Middle-East Europe and in particular in Greece.

From my research I can conclude that business structures in Greece remain strictly hierarchical, a thing that is reflected in its directive and authoritative leadership style or else autonomous as resulted from the Globe study. Moreover, as in other hierarchical societies, the traditional and prevalent management style is highly paternalistic, the individual responsibility of the owner/manager is most of the time ascendant, and the collective responsibilities of a group are absent, a thing that is even more evident in family owned businesses.

Greece has a strong relationship-driven culture and so one’s need to get to know someone will always prevail over any deadline. Greeks have a relaxed approach to life. Maintaining healthy working relationships is more important than accomplishing something at a certain timescale. Trust, loyalty and strong bonds are also very important. As far as decision-making is concerned, due to the hierarchical type of structure, decisions are taken by the top-level managers and handed down to subordinates.
to implement. Greek women are treated equally to men and it is not uncommon to see both men and women at every level of an organization.

Greek managers though fail on motivational practices, thus, employees feel disengaged and dissatisfied. They don’t feel part of the “family”; they fail in sharing the same vision and goal. After all, no activities or guidelines of team-building are supported by the managers. In Greece the organizational culture is process-oriented because cost reduction is commonly the primary concern for organizations willing to create a sustainable competitive advantage. Additionally, Greek organizations are mostly job oriented and parochial because managers put a lot of pressure on employees, request the extra mile to efficiently complete the job without any extraordinary motivation or sometimes-even respect on human behavior and relationships. Sometimes even, employees feel that the organization’s norms and expectations are covering their behavior on the job as well as their home. Although, Greek national culture is relationship-driven, inside the organization things are a bit different.

According to Kotter (2012), the hierarchical structures and organizational processes that managers have used for decades to run and improve their business are no longer enough to succeed in this fast-moving world. On the contrary, they can threaten any opportunities to compete in the marketplace. Businesses must adapt to changes and not just by improving their technology but through changes in their practices; management and leadership practices, motivational practices, coaching etc.

Hierarchy is useful, especially when it provides effective departments, divisions, roles, responsibilities and levels of expertise. However, rigid, hierarchical organizations may find it difficult to handle rapid changes, because hierarchy by itself is resistant to change. In Greece we need to change how we manage people and organizations in general. We need less bureaucracy, less layers; we need to give more attention to people, let them participate in the decision making process, and, in general, motivate them and let them feel part of the “family”. Managers need to be coached so as to appeal not just the employees’ abilities but their emotions as well. This is the only way people will engage, contribute to positive change and make the corporation’s vision, theirs.
A visionary leader will inspire people; employees and followers. A great leader will create via his/her actions towards cooperation and synergy, a collectivist company culture that is socially conscious and employee-centric. In addition, a leader that will inspire people to understand and assimilate his/her vision and work towards it will create a culture of engagement. When a leader demonstrates values through his/her actions, will lead by example and create an ethical culture. Last but not least, a leader who will empower people to make decisions that affect their working performance as well as their lives, will give them the authority to act and take responsibility as far as the consequences are concerned and will create leadership on every organizational level of the corporation. By noting these statements, we can understand how leadership on its turn can create or affect existing organizational culture.

Greek corporations need to invest in leadership, because the success and competitive advantage is all about the vision, the opportunity, the agility, the inspired employees and motivation; not just project management, budget reviews and reports.

[25]
Bibliography


http://www.dynargie.pt/media/estudos/leadershipstyleanalysis_2011_09_06.pdf


Appendix

INTERVIEW PROTOCOL (Subsidiaries of multinationals)

1. Let’s start by saying a few words on your experience at [Company]: your current position and your career within the company [with particular attention to international exposure].

2. Can you tell me more about how [Company] manages international operations? What are your relationships with the headquarters? What is the degree of autonomy that you enjoy?

3. How frequently do you interact with the headquarters and/or other subsidiaries? To what degree do you have to coordinate with other subsidiaries?

4. Are you expected to follow strict guidelines or policies from the headquarters about how to manage employees, your leadership style, etc.? Can you tell me more about it? Do you have any document illustrating these guidelines?

5. Is it difficult to implement these guidelines in Greece? Do they make it easier or more difficult to manage employees? What are the main difficulties you encounter, if any? Can you give me some concrete example?

6. Can you tell me more about your interaction with international colleagues? Have you noticed any significant difference in the way they manage relationships at work, the way they communicate, motivate, negotiate, and manage their teams, etc. that can be ascribed to their nationality (rather than their own personality)?

7. What are the nationals that you feel more comfortable working with and/or whose managerial approach more closely resembles yours and/or the Greek approach? What are the main difficulties that the average Greek managers encounter when working in a multinational environment? Moreover, what can be his or her main strengths?
8. Based on your experience, do you think that there are particular traits that characterize the style and approach of Greek managers and leaders? If so, can you say something more, and perhaps give me some examples?

9. What do you think are the main consequences (for good and for bad) of these particular traits? What do you think are the ways in which we could try to leverage on our strengths and/or compensate for our weaknesses? What should we reinforce and what should we change?

INTERVIEW PROTOCOL (Family-owned businesses)

1. Could you please describe your role as a manager?

2. How long have you been the manager in this business?

3. How many employees do you supervise?

4. Could you please explain the leadership techniques you use to motivate your staff?

5. Could you please explain the way the staff of this organization is being assessed?

6. Do you find the recruitment system fair?

7. From your experience, do you find business ethics and values important to the employees and the whole organization?

8. Do you feel that these leadership techniques are effective for your department? How?

9. To which leadership style do you feel the staff responds to best? Why?

10. Do you have a model of leadership that you use in your leadership approach?
11. How do you make decisions with your staff?

12. Do you have a good relationship with your supervisor?

13. Is he or she the owner of this business?

14. In your experience, is the staff afraid to express any disagreement with you or their boss? Why?

15. Do you like to work alone or as a team? Why?

16. Do you have security of employment? Is it important?

17. Do you like to work with people who cooperate well with one another?

18. What are your opinions about men leaders and women leaders?

19. Do you think that most people can be trusted? Is it important?

20. How often do you feel unsure on how to behave?

21. Have you attended any seminar about how to train and coach employees?

22. What is your opinion about competition between staff?