

A Cross-cultural Comparison of Perceptions of Senior Leader Wrongdoing between China and the United States

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Background

- **Until recently, a limited understanding of *senior leader misbehaviors* hampered efforts in**
 - Examining their correlates and predictors
 - Building conceptual models of their determinants
 - Refining applications to control such behaviors (e.g., selection into executive positions)
- **Recent research across 10 culturally and geographically diverse countries delineated 48 independent and homogenous categories of senior leader misbehavior**
- ***Are there *patterns* in the perceptions of what constitutes misbehavior between China and United States?***

Method

■ Critical incident approach

- Individual interviews with those in positions to directly observe senior leader wrongdoing
 - Senior leaders themselves (81%)
 - Coaches and consultants directly working with senior executives (19%)
- Gathered details of incidents of senior leader wrongdoing
 - Respondents considered **behaviors they have *observed* that they would consider to be “wrong”**
 - Asked only for incidents that occurred in the **focal society**

Method: Sample

10 Countries representative of *Globe* country clusters and *Hofstede* dimensions

Country	Interviewees	Incidents	Behaviors
China	13	49	75
Colombia	12	50	76
France	13	48	73
Germany	15	54	67
Iceland	13	49	69
India	13	50	74
Italy	12	50	71
Nigeria	12	46	67
Poland	12	39	56
Turkey	14	49	69
Global	129	484	697

Method: Categorization

- Synopsis of each critical incident was created
- Teams of two authors read each incident and identified discrete misbehaviors
 - Initial agreement was 80%, but after discussion with 3rd independent author, consensus was reached
- SMEs sorted the collection of misbehaviors into categories (1) globally and (2) for each country (Initial agreement was 64%)
- Authors discussed categorization until consensus was reached for 48 categories
- Independent set of SMEs retranslated the behaviors into the 48 categories

Most Common Misbehaviors

Misbehavior Category	N	Frequency
Nepotism, favoritism, & preferential treatment	45	9.3%
Falsification and manipulation of documents & records	45	9.3%
Misuse of organizational funds, assets, resources for personal purposes	38	7.9%
Lying and deception	35	7.2%
Theft of organizational funds, assets, and resources	34	7.0%
Providing bribes or kickbacks	32	6.6%
Accepting bribes and kickbacks	32	6.6%
Uncivil or abusive communication or behavior	26	5.4%
Imposing harsh or unreasonable work conditions	26	5.4%
Coercing and compelling the wrongdoing of others	23	4.8%
Sexual impropriety	21	4.3%
Withholding or impeding the flow of information	21	4.3%
Condoning or overlooking the wrongdoing of others	18	3.7%

Nepotism, Favoritism, & Preferential Treatment

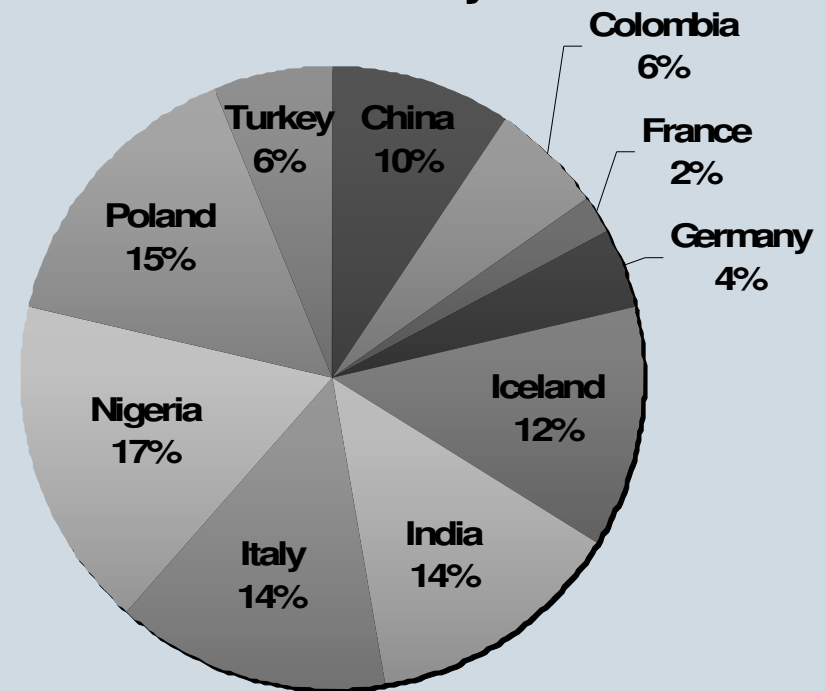
Behaviors involve the positive treatment of individuals who have gained the leader's favor through inequitable means

Examples:

- Granting a job to an unqualified brother-in-law
- Failing to properly negotiate a contract with a personal friend
- Taking a favored subordinate on an important series of meetings and excluding others
- Favoritism (in promotion) towards one's wife

48 (6.9%) behaviors from
45 (9.3%) incidents

Proportion of Behaviors Observed in Each Country



Falsification & Manipulation of Documents & Records

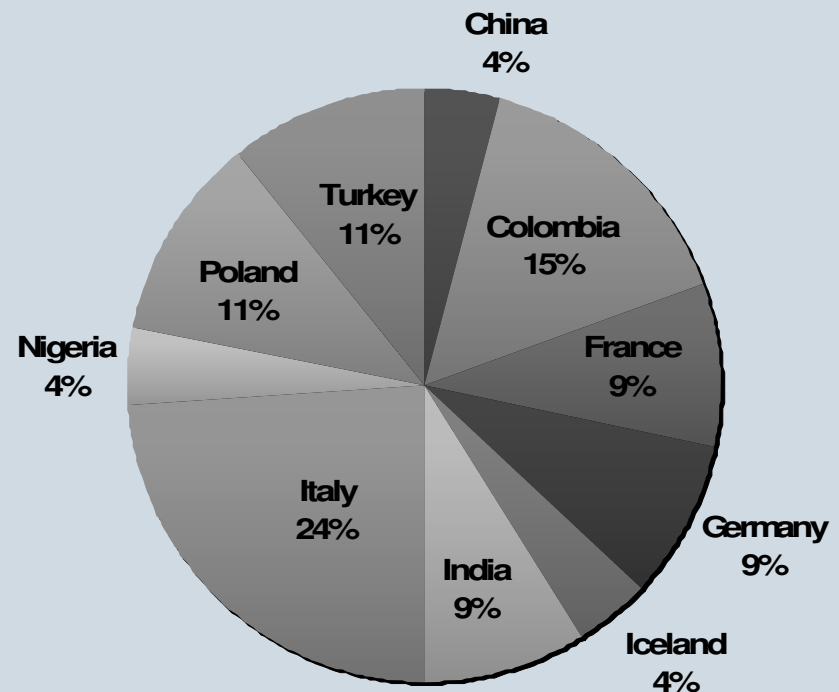
Behaviors involve the fabrication and distortion of records and documents

46 (6.6%) behaviors from
45 (9.3%) incidents

Examples:

- Creating fraudulent financial documents
- Changing/falsifying performance appraisals from others
- Backdating stock options
- Moving money through accounts in order to disguise its source

Proportion of Behaviors Observed in Each Country



Sexual Impropriety

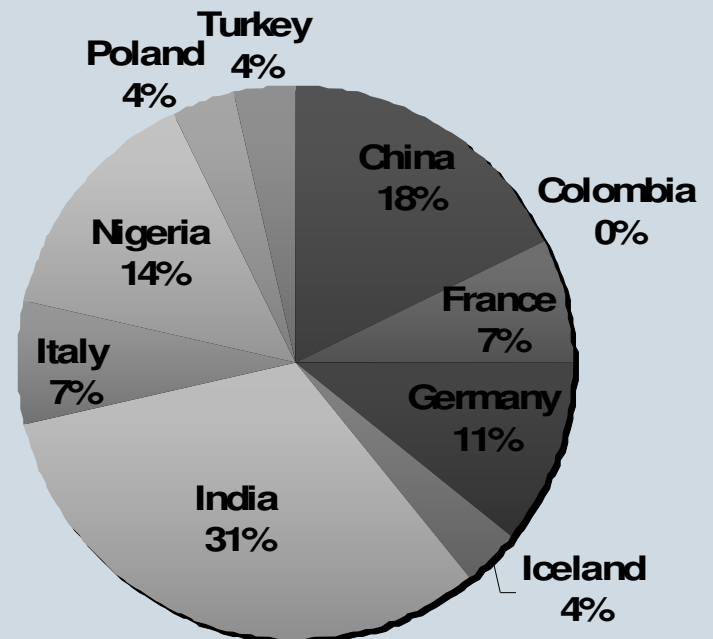
Behaviors involve inappropriate sexual or romantic comments, invitations, advances, and physical contact

28 (4.0%) behaviors from
21 (4.3%) incidents

Examples:

- Compelling a job applicant to have sex as a condition for being hired
- Viewing pornography on company computers
- Implying professional advantages if subordinate joins leader for dinner
- Male manager promising promotion to female subordinate after he touched & brushed up against her

Proportion of Behaviors Observed in Each Country



Comparison Between China and the United States

United States

China (Top Ten)

Category of Misbehavior	N (%)
Misuse of Organizational Resources	28 (22%)
Sexual Harassment	20 (16%)
Misrepresentation & Manipulation of Information	18 (14%)
Nepotism	14 (11%)
Misuse of Power in the Organization	14 (11%)
Interpersonal Incivility & Aggression	10 (8%)
Lying & Breaking Agreements	8 (6%)
Discrimination	8 (6%)
Condoning Wrongdoing in Others	4 (3%)
Alcohol Use	3 (2%)

Category of Misbehavior	N (%)
Theft of Organizational Funds, Assets, & Resources	10 (13%)
Misuse of Organizational Funds, Assets, Resources for Personal Purposes	6 (8%)
Nepotism, Favoritism, and Preferential Treatment	5 (7%)
Accepting Bribes & Kickbacks	5 (7%)
Sexual Impropriety	5 (7%)
Condoning or Overlooking Wrongdoing	5 (7%)
Negligent Decision-Making Toward Society, the Region, or One's Jurisdiction & Selling Unsafe Product	4 (5.3%)
Making Ill-Advised, Risky, or Illegal Decisions to the Detriment of the Organization or Segments of It	4 (5.3%)
Lying & Deception	3 (4%)
Withholding or Impeding the Flow of Information	3 (4%)

Senior Leader Misbehavior: Global Results

■ 8 categories of senior leader misbehavior appeared universally (across 11 countries)

- **Falsification and Manipulation of Documents & Records**
- **Theft of Organizational Funds, Assets, & Resources**
- **Misuse of Organizational Funds, Assets, Resources for Personal Purposes**
- **Condoning or Overlooking Wrongdoing**
- **Lying & Deception**
- **Imposing Harsh or Unreasonable Work Conditions**
- **Nepotism, Favoritism, and Preferential Treatment**
- **Uncivil or Abusive Communication or Behavior**

■ Differences were observed between countries

- Some are clearly unique (or more common) in certain countries, e.g.:
 - **Laying off workers**
 - **Sexual Impropriety**
- Results may be due to limitations of our sample

Conclusions

Data from 11 countries around the world indicate

- **There are universal senior leader misbehaviors**
- **Frequency of certain behaviors vary by country**
- **Sizable sets of misbehaviors co-occur**