

A Conceptual View of the Dynamics of Global Sales Leadership: An Examination through Hofstede's Cultural Dimensions

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Executive Summary

Evolving global markets, increasing customer demands, and increasing market complexity intensify the challenges that sales managers and salespeople face. Sales managers attempting to develop quality relationships with the diverse salesforce may be undermined by cultural distance that can result in negative performance outcomes. Although cultural distance may cause obstacles, sales managers can use effective leadership styles to build the quality of the relationship for better performance outcomes. Alternately, organizations derive benefits from a diverse salesforce such as better market access and global competitiveness, greater creativity, and improved sales team performance.

Applying Hofstede's theory provides a better understanding of sales leadership on a global scale to improve performance for better organizational performance. This study addresses identified research gaps by examining the leadership style needs of salespeople globally based on Hofstede's cultural dimensions. Hofstede's cultural dimensions theory consists of six dimensions based on his studies to measure how values in the workplace are influenced by culture. The cultural dimensions represent preferences for a country rather than individuals to use for comparison. The goal of this research was to apply this theory to better understand sales leadership on a global scale to address the literature gap on cross-cultural sales leadership styles and move toward answering the question, "To what extent does a salesperson's culture of origin, education, and residence influence the needed/desired/preferred sales leadership style of salespeople from around the globe?"

The results of a Qualtrics administered survey completed by 328 business-to-business salespeople from 23 countries lend some support to some of the hypothesized relationships while also highlighting some unexpected outcomes that will spur future research. The first surprising outcome was that only seventeen respondents reported going to college or university in a country other than where they were raised, only sixteen respondents reported currently living in a country other than the one in which they were raised, and only six respondents fell into both categories. This lack of variance in the country of education and current residence precludes making any claims on the cultural impact of these experiences on the leadership needs of employees and indicates the need for a study targeted exclusively at the expatriate population when it comes to sales leadership needs. The data did allow for examining the impact of culture on leadership styles (hands-on vs hands-off and transactional vs transformational) as well as the interactions on the various Hofstede dimensions on employee style preferences. A second analysis through MANOVA showed that there were significantly different scores on the leadership style preferences when respondents were grouped by their selected preferred leadership type (Laissez-Faire, Autocratic, Servant, and Charismatic).

The implication for sales managers at this stage in the research process is that international sales managers be aware of the various cultures salespeople come from as it drives their leadership style needs (and ultimately the type of leadership they need). In addition, it also shows how the facets that make up their culture interact to drive leadership style preferences, and of particular interest are the multiplicative effects of the Long-Term Orientation facet of culture with the Power Distance (both styles) and Individualism (Hands-on only) facets as well as the interaction between the Indulgence and Individualism (Transactional only) facets. These findings give managers a starting point in developing a customized leadership type that optimizes outcomes for the salesperson, sales manager, and firm based on style preferences driven in part by the culture from which the salesperson came.

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