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Positive leadership: Meaning and application across cultures

Carolyn M. Youssef-Morgan and Fred Luthans

Many people, especially organizational leaders, find today's environment both depressing and overwhelming. The depressing part is the seemingly uncontrollable downward spirals of negativity. For example, put yourself in the shoes of Dawn Hochsprung, principal of Sandy Hook Elementary in New-town, Connecticut. How could any leader stay level-headed and resolute during the massive school shooting when the lives of children age 10 and under and their dedicated teachers, your kids and staff, were at stake? More importantly, can you count on your followers to do the right thing and protect those precious children, even if it costs them their lives, as Anne Marie Murphy, Victoria Soto and several other teachers courageously did on December 14, 2012? What makes today's negativity so overwhelming is its sheer volume and breadth. Violence, incivility and irresponsible behavior seems to be no longer limited to a few isolated incidents. The worldwide economic uncertainties allow only guarded optimism, with over 50 percent of youth unemployed in once-lively European countries such as Spain and Greece or most youth in former Soviet Union countries continuing to subsist below the poverty line after over two decades of independence. Long working hours and pressures for productivity seem to be driving many young Chinese workers, such as those at the infamous Foxconn making everything "Apple," toward hopelessness and despair, actually leading to workplace suicides in recent years. Even well-to-do Singaporeans finished dead last in their reported positive emotions in the latest Gallup World Poll. The political landscape is also bleak, with many heroic movements and bloodshed to overthrow decades of tyranny in the Middle East seemingly wasted by transitional governments with limited experience or unaligned political agendas. Closer to home, the United States is facing seemingly uncontrollable debt and threatened government shutdowns. Whether you are the principal of a suburban elementary school, a supervisor in a Chinese factory, or the leader of your country, it is becoming more and more challenging to be positive.

The Tyranny Of Negativity

Positive organizational scholar Kim Cameron discusses several reasons for the seemingly overwhelming effects of negativity. He explains that although positivity frequently occurs in everyday life, it tends to be overlooked, even though humans are by nature attracted to what is positive, pleasant, and life giving. Possible reasons for this paradox include:

- **Intensity:** Negative events are given more attention. They are more intensely weighted than positive events because they are perceived as threats. Research by Marcial Losada, Director, Meta Learning Consulting, showed that teams begin to thrive at a ratio of about three positive interactions for every negative interaction. He and positive psychologist Barbara Fredrickson found a similar ratio for individuals as well. A number of years ago John Gottman also found that as much as five or six positive interactions are the necessary threshold to counter a single negative interaction in marital relationships. If you think that leaders should be more mature than people in general and not require as much positive "stroking," the evidence actually supports the opposite. Top management team communication and other similar complex leadership settings show a threshold level of thriving and effectiveness of about six-to-one positive-to-negative ratio.
- **Adaptation:** Negative events signal maladaptation and trigger a perceived need for change. Positive events provide affirming feedback that signals limited motivation

for change. For example, most managerial decisions are made in response to crises or performance gaps, which is consistent with what Martin Seligman, the recognized founding father of positive psychology, has dubbed “the disease model.”

- Singularity: A single negative component of a system can render the whole system dysfunctional, but a single positive component cannot guarantee optimal functioning. Going back to the earlier example, no number of “normal” or even exceptionally positive school days at Sandy Hook Elementary can “wipe out” what happened on December 14, 2012. The parents, friends and neighbors of the victims of the school shootings will readily attest to that. Similarly, over a decade has passed since September 11, 2001, but no amount of time or number of successfully prevented terrorist attacks since that tragic day seems sufficient in restoring a sense of safety, security and trust.

We are not just simply touting positivity over negativity. Instead, we recognize both positivity and negativity are necessary for optimal functioning. In fact, extreme positivity may be delusional or irresponsible. It can promote complacency. For example, Losada and Fredrickson’s work shows that the complex dynamics of flourishing due to positivity start to show signs of disintegration at a positivity ratio of precisely 11.6-to-1. We are also quick to point out that extreme negativity is also dangerous. Fredrickson’s well-known broaden-and-build model of positive emotions offers an interesting perspective on the effects of positivity and negativity. Positive emotions can broaden one’s thought-action repertoires and facilitate the building and replenishment of physical, social and psychological resources. Negative emotions can do the opposite. Because they promote fight-or-flight survival mechanisms, they can lead to narrow-mindedness, restrict creativity, and limit one’s options to tried-and-true courses of action. They can also deplete one’s physical, social and psychological resources, leading to stress, alienation and even illness. Thus, a more positive-to-negative ratio is needed, but both are important to effective functioning and performance.

The Importance of Positivity for Leaders

Especially in difficult times, research shows that positivity is critical for leaders. Barry Staw and Sigal Barsade’s study almost 20 years ago foreshadowed the current interest in positive leadership. They showed that there is more support for the “happier-and-smarter” than the “sadder-but-wiser” approach to leadership. Specifically, higher positive affect was associated with higher managerial performance, both in terms of decision making and interpersonal tasks. More recently, positive psychologist Sonya Lyubomirsky and her colleagues comprehensively reviewed and meta-analytically combined numerous cross-sectional, longitudinal and experimental studies that link happiness to success in various life domains, including areas recognized as critical for leadership success (e.g., decision making, problem solving, effective coping, pro-social behavior). Their findings support not only that positivity and success are related, but the case can be made that happiness causes success rather than the more

conventional other way around. Positive psychologists often refer to this as a “Copernican Effect” in reference to the famous 16th century astronomer who first promulgated that the earth revolved around the sun instead of vice versa.

More specific to the workplace, we and our colleagues have also found in a recent meta-analysis that hope, efficacy, resilience, and optimism, which we collectively call “positive psychological capital,” or simply PsyCap (first identified in our Organizational Dynamics article in 2004) predicts higher positive outcomes such as performance, satisfaction, commitment, wellbeing, and organizational citizenship behaviors, and lower negative outcomes such as cynicism, stress, anxiety, turnover intentions, and counterproductive behaviors. In a very recent study, we also found that this psychological capital can predict both subjective appraisals of satisfaction and objective outcomes beyond the work-place, in areas such as health (e.g., body mass index and cholesterol levels) and relationships (time spent with friends and family). It has been found that leaders’ PsyCap trickles down to their followers, CEO’s PsyCap predicts the performance of both start-ups and established high-technology firms, and top management teams’ collective PsyCap predicts strategic business unit performance. Overall, there is growing basic research evidence to support the effectiveness of positive leaders.

A More In-Depth Understanding of Positivity

We are often asked, isn’t positivity just the opposite of negativity? Research indicates the answer is “not necessarily.” There is enough evidence to show that positivity and negativity have distinct characteristics. They are not simply opposite ends of the same continuum. For example, positive and negative attitudes and emotions can co-exist. They are influenced by, and in turn exert influence on, unique and different processes and outcomes. Positive psychologists build their research and practice on the notion that the lack of physical or mental illness is not necessarily equal to optimal functioning and flourishing. Similarly, positive organizational scholars and business leaders know that “fixing” organizational problems does not automatically lead to thriving, excellence, and/or sustainability. At the individual level, research also shows that preventing counterproductive behaviors do not promote positive behaviors at work. For example, employees who are not burned out are not necessarily engaged. Positive scholars refer to this state of not having either positivity or negativity as “languishing,” a type of neutral but, more accurately, passive state of just “going through the motions.” Left unchanged, languishing can lead to cynicism, apathy, and unfulfilled potentials.

So, what is positivity? Positive organizational scholars such as Kim Cameron describe positivity in an organizational setting in terms of “elevating processes” and “outcomes . . . which dramatically exceed common or expected performance . . . spectacular results, surprising outcomes, and extraordinary achievements . . . exceptional performance,” and “an affirmative bias in change, or toward an emphasis on strengths, capabilities, and possibilities rather than problems, threats, and weakness.” Gretchen Spreitzer, another prominent positive organizational scholar, more formally defines it as “intentional behaviors that depart from the norm

of a reference group in honorable ways.” We like to use a mathematical metaphor to illustrate. A positive number by definition has to be larger than zero, and when added to another number, the result is larger than each of the two individual numbers. Similarly, an observable phenomenon can be considered positive if it adds value, leaving the context, process or outcomes within which it takes place elevated, uplifted, improved, or somehow better.

This analogy may appear to imply that positivity precludes negativity, but that is not necessarily the case. Positivity can occur in very negative conditions. However, just as positive and negative numbers offset each other, positivity can offset negativity. The resultant may be positive or negative, depending on the relative intensity and frequency. Nevertheless, it is impossible for positivity to yield a more negative result, or one that is just as negative. Again, using the numbers analogy, more positivity will always result in progress, growth, and development. This is because positivity is the polar opposite of neutrality, complacency, resistance to change, and the status quo. It involves dynamic, broadened and enriched processes and outcomes. Even when positivity and negativity seem to just “balance” each other, as is the case at the threshold positivity ratios mentioned earlier, the resultant is a new and elevated equilibrium point. It seems that the process through which positivity helps overcome negativity and restore balance can lead to learning and growth.

For example, resilient processing of obstacles does not only lead to recovery and return to the same initial point. Instead, resilient individuals tend to use obstacles as springboards to help them bounce above and beyond, to new levels of competence and success, deeper relationships, and enriched lives. This “bouncing back and beyond” is embodied in global CNN Heroes such as Razia Jan, an Afghan-American woman who left the comforts of her newfound life in the U.S. to return to Afghanistan with the goal of educating girls. Despite public opposition, Jan opened a free girls’ school. Every day, Jan, her staff and her students face the risks of violence, acid attacks on the way to and from school, poisoning of the water or air in the building, and even vicious school bombings by religious extremists who believe women should not be educated. However, with every attack, she comes back stronger, reestablishes relationships with the men in the community, regains the trust and commitment of the parents to their girls’ education, and keeps enrolling more and more girls. To-date, because of her resilience and positive example, many other girls’ schools have been opened in Afghanistan. Moreover, due to the model performance of her school, Jan has been asked by community elders and government officials to help improve the educational system for the boys as well.

In our research, we focus on what we identified over a decade ago as “positive organizational behavior,” which is a form of workplace positivity exhibited primarily by individuals, and which can be measured, developed, and effectively managed for performance improvement. What makes this type of positivity unique is that it is open to development through relatively short training interventions, and its focus on the individual leader or associate as the target for development. Rigorous, valid measurement also precludes less scientific forms of positivity in order to maintain an evidence-based perspective. In our book *Psychological Capital:*

Developing the Human Competitive Edge, we evaluated numerous positive resources from the positive psychology literature, and found hope, efficacy, resilience, and optimism, to best meet our scientific criteria. We use the acronym HERO as a way to help you remember that these positive psychological resources can create the hero within you, and can help you develop your associates into heroes as well. More specifically, these criteria-meeting resources that we call Psychological Capital or PsyCap are:

- Hope is a positive motivational state that is based on an interactively derived sense of successful (1) agency (goal-directed energy) and (2) pathways (planning to meet goals and proactively identifying alternatives if obstacles are encountered).
- Efficacy is one’s belief about his or her ability to mobilize the motivation, cognitive resources, and courses of action necessary to execute a specific action within a given context.
- Resilience is the developable capacity to rebound or bounce back from adversity, conflict, and failure, or even positive events, progress, and increased responsibility.
- Optimism is an explanatory style that attributes positive events to personal, permanent and pervasive causes and negative events to external, temporary and situation-specific ones. Optimism also constitutes a generalized positive expectancy of the future.

Together, these “heroic” capacities have been found to reflect a higher order multidimensional resource that is greater than the sum of the four components and is more predictive of desired outcomes than any one of them. As mentioned earlier, we refer to this core construct as “Psychological Capital” or simply “PsyCap.” The idea is that those who develop their PsyCap can confidently take on and put in the necessary effort to succeed at challenging tasks. They make optimistic attributions about succeeding now and in the future. They hopefully persevere toward goals and, when necessary, re-direct paths to goals in order to succeed. And when beset by problems and adversity, they resiliently sustain and bounce back and even beyond to attain success. The common thread that runs through PsyCap and its HERO components is a cognitive, developmental capacity that facilitates consistent positive appraisals of circumstances and probability for success based on an internalized sense of agency and control that promotes motivated effort and perseverance.

Some may think that positivity is just a disposition or a set of favorable personality traits. This is partially true. About half of positivity is fixed through genetics or nurtured at an early age. However, a summary of the research on positivity indicates about 40 percent is based on intentional activity that is open to development. We call this 40 percent “state-like,” to differentiate it from “pure” or “hard-wired” traits that are primarily genetic such as intelligence, or “trait-like” characteristics that are nurtured at an early age such as character and personality, and, at the other end of the continuum, “pure” states that fluctuate all the time such as moods and emotions and states that are very short-term such as pleasures. Psychological capital is an example of these state-like psychological resources that fall within the 40 percent intentions. Surprisingly, decades of extensively studying hap-

piness across the world by well-known positive psychologist Ed Diener demonstrate that life circumstances, even if extremely positive or negative, only account for about 10 percent of positivity. This distribution presents much “hope” and “optimism,” even for leaders who may perceive a negative predisposition in themselves or some of their followers, or who may be facing overwhelming challenges in their internal or external organizational environment. Interestingly, the same is true on the other side of the coin. Those experiencing very favorable circumstances may have only minimal effect (i.e., 10 percent) on their level of positivity. The intentional input (i.e., 40 percent) is key and importantly under the control of leaders and their followers.

Is Such Positivity New To Leadership?

Traditionally, most leadership theories tend to be positively oriented. None of them, however, offer a specific definition of positive leadership. In a recent special issue on global leadership in the *Journal of World Business* (2012, 27, 541), we define positive leadership as “the systematic and integrated manifestation of leadership traits, processes, intentional behaviors and performance outcomes that are elevating, exceptional and affirmative of the strengths, capabilities and developmental potential of leaders, their followers and their organizations over time and across contexts.”

Drawing from this definition, positive leadership needs to be systematic and integrated over time and across contexts. As explained earlier, negativity is characterized by singularity. Positivity necessitates a broader perspective and an integrated assessment of various components of a system that span time and contextual boundaries. Positive leaders (and organizations) need to continuously monitor multiple facets of their values and actions, because one negative incident can mar their reputations for a long time. For example, Jerry Yang, cofounder of Yahoo! was heavily criticized for providing information to the Chinese authorities that led to the arrest and mistreatment of Chinese pro-democracy journalists and activists in 2004. Although compliant with local laws, his choices violated international laws and cost Yahoo! a lot in legal settlements, and more importantly in negative publicity. A few years later, his rejection of Microsoft’s offer, deemed attractive by analysts, and his threats to destroy Yahoo! if Microsoft attempts a hostile takeover, led to deterioration in stock performance, an exodus of executives, and eventually Yang’s resignation in 2012.

A long history of political scandals can also attest to the fact that negative incidents, even in a leader’s personal life, can compromise followers’ trust and desire to follow. For example, former Italian Prime Minister Silvio Berlusconi’s crude sexual remarks to a professional woman at a public setting just a few days before the 2013 general elections, after years of reported mistreatment of women while in office and being put on trial for his relationship with an underage prostitute, has provoked a public outrage. The importance of positivity across contexts is particularly relevant for global leaders who need to tactfully draw linkages and transfer experiences across cultural boundaries.

The notion that positive leadership is a systematic integration of traits, processes, intentional behaviors and performance outcomes is also consistent with this whole-system

perspective. It also addresses the fact that positive leadership builds on a combination of stable traits, malleable states, and situational factors, which has been established in the extant leadership literature. These traits, processes, behaviors and performance outcomes are manifested at various levels, including leaders, their followers and their organizations.

The above characteristics of positive leadership are consistent with widely recognized dimensions of leadership in general. On the other hand, unique to positive leadership is that it is elevating, exceptional and affirmative of strengths, capabilities and developmental potential. Although anything “exceptional” is usually rare, this should not discourage leaders from aiming to lead positively. Positive leadership builds on developmental processes that “elevate” positivity over time, with experience and intentional activity. For example, a leader can only achieve truly exceptional efficacy levels with repeated exposure to challenges and intentional choices to pursue and conquer them. Exceptionally high efficacy without this type of exposure, intentional choice, and perseverance is an illusion that can easily be crushed by hardships and contrary evidence. As an example, in his autobiography, Jack Welch described how his confidence was built in his early years through being regularly challenged and at the same time affirmed by his mother, teachers and other positive role models. He also described the frustrations he encountered when he first joined General Electric and how he successfully got “out of the pile.” There were also times when he admittedly became “too full of himself” and made wrong decisions. However, his developmental journey was also instrumental in leading GE to become a world-class organization.

We are not claiming that positivity is new to leadership. Instead, our goal is to explore how existing and new paradigms, theories and practices can be integrated and applied to help leaders become more positive and effective in a global context. For example, positive traits that characterize leadership emergence or success have been extensively studied in the past and are now being emphasized by positive organizational scholars and practitioners. Similarly, behavioral and contingency leadership theories introduced notable augmentations to trait theories, accounting for leadership styles and contextual factors, which are critical for leading across cultures. Exchange theories, which focus on the quality of relationships between leaders and followers that can lead to mutual trust, transparency, and collaboration, are particularly relevant for embracing, appreciating and leveraging diversity when leading in a global context. Charismatic and transformational leadership theories are also notable in highlighting the need for influencing and inspiring followers and aligning their goals with the leader’s vision. Transformational leadership emphasizes developing followers through individualized consideration and intellectual stimulation so that they can become more independent, which is particularly relevant for global leadership, where the leader may have to lead from a distance.

More recently, several leadership theories have emerged, offering potential valuable insights toward understanding positive leadership. Examples include ethical leadership, spiritual leadership and authentic leadership. Authentic leadership is a multidimensional construct, comprised of leader self-awareness, relational transparency, internalized moral

perspective, and balanced processing. Research shows that authentic leadership goes beyond ethical and transformational leadership in contributing to desirable attitudes, behaviors, and performance in the workplace. Furthermore, authentic leadership can be developed through dynamic processes that involve deep examination of one's values, beliefs and underlying assumptions, as well as openness in exploring discrepancies in self-other perceptions and view-points. This authenticity is vital in effectively leading diverse groups of followers across cultural boundaries.

Of course balancing the needs of diverse groups while remaining true to one's values and beliefs is no easy feat. For example, Anglican church leader Rowan Williams had to step down in December 2012 as Archbishop of Canterbury and Primate over the Church of England. Williams had been recognized and respected as a spiritual leader, theologian, scholar, and credible speaker on a wide range of political and social matters beyond religious circles. However, his view-points on homosexuality, female bishops, the war in Iraq, Sharia law, the British government, and other controversial issues seem to have made this balancing act impossible for him to achieve with integrity and authenticity. His self-awareness and humility are evident in his Goodbye to Canterbury documentary when he stated: "Being unpopular, taking the rap, aren't accidental side-effects, they're the stuff of the job . . . It is physically impossible to fill this throne, and that shouldn't be surprising, since it's certainly spiritually impossible to fill it also. The first time you sit here you realize that you have countless new ways of getting things wrong, countless new responsibilities and expectations laid on you — and the likelihood is that you're going to get most of them wrong."

Positive Leadership Across Cultures: Challenges And Opportunities

Despite the worldwide economic turbulence and widespread political instability, the trend toward globalization does not show signs of slowing down. This reality of a global economy requires organizational leaders to be prepared to lead across cultures. For example, mergers and acquisitions across national borders increased by 37 percent in 2010. Moreover, although overall Foreign Direct Investments (FDI) have been stable, a closer look indicates that FDI inflows have decreased in developed countries, but this decrease has been more than offset by the significant increases in FDI inflows in developing and transition economies. Such trends signal a growing need for global leaders who are prepared and can effectively lead across cultures. Leading across cultures presents global leaders with numerous challenges. In the remainder of this article, we present some of these challenges in three broad categories: leading from a distance, dealing with cross-cultural differences and overcoming cross-cultural barriers. We will specify how positive leadership can help mitigate these challenges and turn them into opportunities for leveraging the diversity and multiplicity of the global context.

Leading from a Distance

Leaders, followers and their relationships can be compromised by distance. Distance can be manifested in many

forms. The most obvious form is physical distance, which is a common challenge when leading across cultures. However, the increasing trend toward telecommuting still renders physical distance a challenge, but in numerous work settings today (e.g., virtual meetings in the same city or even the same building) the distance challenge does not necessarily have anything to do with geographical dispersion. Another form is structural distance, which is often caused by organizational structure dimensions such as centralization, departmentalization, and span of control. Although a common by-product of organizational growth, it has been observed to be exacerbated by global expansion. Third is psychological or social distance, which often results from status or power differentials between leaders and followers, which can hinder their intimacy, transparency or openness. Like structural distance, psychological or social distance can occur in any setting and increases with organizational growth. However, cross-cultural differences such as power distance and uncertainty avoidance tend to magnify this form of distance.

Physical, structural and psychological distance can constrain the quantity or quality of the interactions and exchanges between leaders and their followers. Cross-cultural teams often need more time and energy in order to build trust and cohesiveness. The purpose, vision, roles, expectations, and norms need much more clarity in order to facilitate understanding and collaboration across the barriers of distance. Interestingly, the common use of English as the business language can create an illusion of more unity and common ground than is actually the case. When other important but subtle differences go unnoticed (e.g., nonverbal facial cues), leaders and followers can drift further apart and suffer from feelings of frustration and isolation. At the opposite extreme, when leading from a distance, many leaders can unintentionally overcompensate, making themselves at their associates' disposal at all times, 24/7. This can readily rob the leader of essential time and energy investment in more strategic tasks. Time zone differences alone can render the leader physically, mentally and emotionally exhausted and burned out, with little left to invest in their personal and social lives (i.e., work-family conflict issues).

We propose that positive leaders are both more aware of and more adept at strategically dealing with the challenges of leading from a distance. Positive leaders adopt a systematic and integrated approach to their own strengths and capabilities, as well as those of their followers and organizations. They also enjoy a higher internalized sense of agency and control and positive appraisals of circumstances that motivate them to affirmatively leverage and develop those strengths and capabilities toward new possibilities. When leading from a distance, this implies that positive leaders will be more aware of the challenges posed by distance, and will view with more clarity the unique impact of those challenges on various individuals and groups of followers, including themselves. Accordingly, they can adopt more consistent and balanced approaches in dealing with them, and more proactively adapt their approach to their followers' needs. For example, followers in affective cultures such as Italy, Spain, and most African and Middle Eastern countries may need more "touch points." For these followers, positive leaders may simply leverage electronic communication technology or frequent travel to mitigate the effects of phys-

ical, structural or psychological distance. They can also intentionally seek out their distant followers, instead of passively adopting an “out-of-sight, out-of-mind” perspective.

More importantly, positive leaders will be tuned into the opportunities posed by distance. Not all followers (or leaders) will have the same needs for physical, structural or psychological proximity. Distance can in fact be liberating for both the leader and followers from mundane, time-consuming niceties and unproductive social norms such as unrelated hallway chit-chats, long lunches, mind-numbing meetings, and formal business attire. It can also be empowering for the next cadre of potential leaders who may be ready for opportunities to shine and show independence. Positive leaders can discern this type of readiness in their followers, and find new ways to leverage their infrequent interactions, turning them into critical mentoring opportunities. These infrequent but planned trigger events for development and growth have been referred to as “moments that matter.”

Infrequent but intentionally designed “moments” can also be strategically used by positive leaders as opportunities for positive interactions and feedback with their distant followers in order to affirm and reinforce their strengths and capabilities. Such moments can enhance their much-needed efficacy and resilience as they go back to functioning semi-independently from the leader. There is an emotional side to those interactions as feelings of intimacy and security associated with the leader’s attention, mentorship and positive feedback can periodically replenish depleted psychological resources and build new ones. However, there is also a critical cognitive dimension to these interactions, in terms of nurturing mutual trust and respect through role-modeling and higher-order exchanges of mental models, decision strategies and critical success factors. In other words, distance can become the breathing room for these followers to contemplate what they have learned and how it can be adapted to their unique cultural settings. It provides a type of experimental field to independently apply what they have learned from the leader, knowing that they have the leader’s support and guidance, minus the micro-management component that many aspiring followers despise and find so stifling in more involved settings. Thus, distance may act as an accelerator of follower development toward higher levels of independence.

Over time, distant followers may reach an elevated level of maturity at which their needs for proximity to the leader may diminish. They can become more independent, self-motivated, confident, resilient, and skilled in setting their own goals and devising their own pathways toward achieving them. They can also become leaders in their own right among their colleagues, acting as liaisons and champions of new ideas within their localities or circles of influence, and thus alleviating some of the challenges of leading from a distance. Positive leaders are less likely to view this level of independence as threatening to their own status or power, because of their internalized sense of agency and control and awareness of their own strengths and capabilities. Instead, the nature of the relationship with more independent followers may dramatically change into one of collegiality and collaboration, rather than dependence and mentorship. Carl Eidson, Wilson Learning Corporation Vice President, highlights the importance of creating a collaborative mindset as a key strategy to leading effectively from a distance. He

views collaboration as an essential substitute to competition, which may have its benefits in a proximate team but can be destructive in distant contexts. He also warns that collaboration is not equivalent to cooperation, which can suppress dissenting voices and divergent viewpoints in the name of tolerance and “getting along.” Instead, he views collaboration as an optimal balance between competition and cooperation.

Dealing with Cross-Cultural Differences

Anyone who has done even just a little traveling quickly recognizes that there are cultural differences, even across regions within the same country. Within the United States, there are important cultural differences between the West Coast, East Coast, Midwest, and Deep South that go beyond local accents and dress code expectations for various occasions. These differences may be unnoticeable to the untrained eye, but leading effectively requires being in tune with them. A positive scholar from the Netherlands, eloquently (and perhaps unintentionally) summed-up this notion in an informal conversation with the lead author when they were in Castellon, Spain. As they were waiting for their research partners from Jaume I University to gather so they could go to dinner, he declared: “You don’t go to Madrid and order a Paella!” When the team hospitably took them to a local restaurant that specializes in this family-style-served traditional Valencian rice-based dish, and team members who grew up in the area fondly recounted childhood memories of this dish as the Sunday meal or one that was served in special family gatherings, it became evident why such a dish may indeed not make it to the top of the menu at a more cosmopolitan Madrid restaurant.

Of course, just like many restaurants in Madrid may serve Paella to appease tourists’ desire to try ethnic foods, many leaders may think they can lead in the same way anywhere in Spain. In fact, many leaders may erroneously perceive all European countries, or at least Western Europe, as homogeneous. Similar stereotypes are commonly applied to Asian, African and Middle Eastern countries. The difference is that the recipients of the uninformed leader’s actions are not naive tourists who may not know any better than to order a Paella in Madrid. They are local experts on their own cultures and sub-cultures. When leaders lack understanding of cross-cultural differences, or worse yet, pretend to understand these differences when they really don’t, they run the risk of losing their credibility and alienating their followers. More importantly, they may also underutilize the strengths and capabilities of their followers and set themselves and their organizations’ global operations up for suboptimal performance.

Positive leaders are genuinely appreciative, and not just tolerant of cultural differences. This distinction parallels the prevalent discussions of diversity in the workplace, which tend to address diversity as a problem to be solved, coped with, tolerated, or sometimes even avoided. For example, most diversity training programs focus on creating awareness of discriminatory language, actions or policies that can expose an organization to litigation. More advanced initiatives such as “sensitivity training” may focus on neutralizing the effects of diversity through “inclusiveness.” This “melting pot” philosophy tends to reduce diversity to its lowest common denominator though finding common ground and focusing on universal values that ring true across cultures.

Although often well-intentioned, these approaches too often come at the expense of ignoring what makes each culture, group, and individual unique and hence the potential of diversity to be leveraged for something more than what any one group can accomplish alone. Consistent with the “disease model” of mainstream psychology mentioned earlier, these perspectives may be somewhat effective in preventing the most obvious forms of discrimination and protecting members of minority groups, but they are unlikely to create a multicultural environment where the unique strengths and capabilities of diverse groups (and individuals) can be affirmed and leveraged toward higher performance. Despite lip service to “celebrating diversity,” unfortunately even today, diversity is seldom truly viewed as an opportunity to be appreciated and leveraged.

Leading across cultures exacerbates the need for going beyond the predominant legal or even ethical mindset toward diversity. It requires a strategic emphasis on elevating and affirming strengths, capabilities, developmental potential, and exceptional outcomes wherever they may be found. International management scholars refer to this leadership approach as “ambicultural.” It integrates the best of various cultures while avoiding the restrictions and biases of each. Ambicultural leaders continuously define and redefine their roles through the context, the social networks they belong to, and the unfolding of events over time in an overlapping framework of past, present and future.

To illustrate, in 2011, when revolutions erupted throughout the Middle East, demanding political, economic and social freedoms, activists such as Wael Ghoneim, Egyptian Google executive and a key contributor in inspiring the revolution, showed this type of mental, emotional and behavioral ambidexterity. In Egypt, what started out as a Face-book page, created by Ghoneim to commemorate a young man who was mercilessly beaten to death by the Egyptian police for threatening to uncover a drug-related deal, went viral on the internet and inspired many to rise in opposition. Beyond anything that Ghoneim and the other initial activists of the movement could have imagined, millions across Egypt and the Middle East stood their grounds, made tremendous sacrifices, and improvised with very limited means to drive out ruling regimes that had been in power for decades. Leadership roles evolved, hardly remaining in the hands of any one person or group, as these movements gained momentum and the demands of various groups became aligned under a unified vision. Social networking, both online and on the ground, played an instrumental role in shaping the movement and the emergent vision. Over two years later now, these same millions of people are continuing to fight with tremendous determination to shape the futures of their countries, many of which are still in the hands of transient or incompetent governments.

To these leaders, possibilities exist beyond the individual, to include diverse stakeholders. Some of these stakeholders may even be competitors. An ambicultural leader would view these relationships to still be open to harmonious, balanced orchestration of simultaneous competition and cooperation. Positive leaders contribute to these evolving processes through character, wisdom, values, “legacy-building,” and the ability to balance diverse stakeholder interests and a broader set of long term goals. They do not just focus on

technical expertise, managerial savvy, or short term transactional competence, which they understand may be too restrictive in a cross-cultural context.

Positive leaders are also cognizant of the limitations of their own perspective and the validity of others’ viewpoints, which enhances their ability to lead across cultures. This has been referred to in the cross-cultural literature as “ethno-relativity.” An ethno-relative perspective enables leaders to:

- experience their own culture as one of many,
- identify complex and subtle cultural patterns,
- habitually express themselves through multiple culturally appropriate affective and behavioral systems, and
- eventually experience an expanded self-view that can readily move into and out of multiple world views.

While most leaders may muddle through cross-cultural differences with varying degrees of success over time, positive leaders’ systematic and integrative perspective toward their own and others’ strengths and capabilities can enhance their effectiveness in leading across cultures. They leverage cross-cultural differences.

Overcoming Cross-Cultural Barriers

Positive leaders can turn challenges such as distance and cross-cultural differences into opportunities by proactively and intentionally finding ways to leverage them. However, not every challenge can be turned into an opportunity, even by the most effective positive leaders. There will always be cross-cultural barriers to overcome. No matter how positive or well-intentioned, a leader who ignores these obvious barriers would be considered in denial at best, or irresponsible and unethical at worst. For example, some countries or regions are known to be fraught with corruption. According to the 2012 Perceived Corruption Index, Afghanistan, North Korea and Somalia top the list. Others, including most developing countries, may suffer from various institutional deficiencies. While these two common barriers may be related to the challenges of distance and cross-cultural differences discussed above, they are distinct in that there is not necessarily a “bright side” to them. They just need to be better understood and mitigated as much as possible, but there may be little about them to be appreciated, affirmed, or leveraged into opportunities. In other words, in terms of the positivity ratios discussed in the introductory section, these barriers may simply represent the negative component of the ratio that keeps leaders grounded in reality. This is like the sailing ship metaphor used by Fredrickson — the mast is tall and holds the sails that propel the ship forward (i.e., the positive component), but the much shorter keel underneath is still necessary to provide direction and prevent the ship from flopping onto its side (i.e., the negative component).

The Foreign Corrupt Practices Act (FCPA) is a case-in-point. Although this Act sought to further the noble cause of prohibiting U.S. businesses from bribing foreign officials, bribery continues to be alive and well around the globe. It is a major source of income for many government employees, especially in developing countries. In fact, in many countries, refusal by a government official to take part in the bribery “food chain” may amount to suicide, both figuratively and

literally. Both U.S. corporations that operate overseas and local businesses alike are often expected to pay bribes in order to get what is legitimately owed to them in terms of permissions, services, forms and appointments, and even the right to be left alone to operate effectively and with integrity — and they do. Many U.S.-based multinationals just find creative ways to conceal these expenditures in their books under less obvious labels such as “facilitation fees” or “tips.”

While clearly illegal, many find it hard to judge these practices as unethical. The argument is that not engaging in them would render U.S. corporations at an obvious competitive disadvantage that may jeopardize the sustainability of their overseas operations and lead to the loss of jobs and livelihoods of many in these disadvantaged parts of the world. It is also argued that many of the bribe recipients are so severely underpaid to a point where the supplemental income from the bribe may be perceived as an act of kindness and mercy to alleviate the suffering of a fellow human being. To not offer the bribe would be considered cruel, cheap or unreasonable, in a way comparable to getting good service at a restaurant in the United States and not leaving a tip for the server who is formally paid very little.

The 2012 national Academy of Management meeting theme revolved around the informal economy. It was estimated that the informal economy constitutes just under 10 percent of economic activity in the United States, but closer to 20 percent in European countries, and as high as 50—75 percent in some developing countries such as Brazil and Russia. This sector is hardly regulated by any legal or institutional structure. To place U.S. corporations under stringent legal constraints such as FCPA may be unrealistic. Penalizing corrupt practices tends to only promote finding new ways to conceal them, especially when they are being used simply to level the playing field.

What are positive leaders to do under such imperfect conditions? First, they can develop a better understanding of the deeply-rooted economic, social and political issues underlying cultural barriers such as corruption and institutional deficiencies. They can adopt a humble, empathetic attitude and appreciate the complexities that have perpetuated these barriers, rather than arrogantly thinking and acting as if they can teach the world a better way. For example, when Bill Gates is asked about Microsoft’s stance against software piracy in China, his response is often surprisingly positive. “As long as they are going to steal it, we want them to steal ours. They’ll get addicted, and then we’ll somehow figure out how to collect in the next decade.” While Gates obviously does not condone overseas software piracy and is very vocal against it in his public speeches in the U.S., the more tolerant (and realistic) strategy overseas has obviously paid off. Today, Windows is installed on over 90 percent of China’s millions of PCs. In a similar vein, when asked to comment on the superiority of the American educational system in nurturing creative talent in comparison to “rote learning” in Japan, Bill Gates’ humble and appreciative response was “I have never met the guy who doesn’t know how to multiply who created software. Who has the most creative video games in the world? Japan! Some of my best software developers are Japanese. You need to understand things in order to invent beyond them.”

Second, positive leaders can be proactive in finding legal ways around these barriers if possible. If not, they can capitalize on their wisdom, courage, determination, and hope to at least find ethical pathways toward achieving the goals of their organizations and balancing the needs of various stakeholders. The old saying “let your conscience be your guide” actually applies very well here, especially when laws to govern unethical behavior do not exist or are not consistently enforced. Occasionally, utilitarian decisions may have to be made to minimize, but not necessarily eliminate harm. In those cases, an optimistic explanatory style can help positive leaders in discerning what they can and cannot control, resilience can help them bounce back, and forgiveness toward themselves and others can help them move on and continue to do great things for the communities and stakeholders they are dedicated to serve.

Third, positive leaders can lead initiatives to promote better, more ethical practices. For example, human resource managers from a large number of multinationals in Middle Eastern countries have recently founded a forum to promote more effective human resource practices in areas such as work-life balance, job security, career growth, fairness and transparency, recognition and rewards, retention and engagement. The resultant standards clearly go beyond what is legally required. As they also lead the way on the design and implementation of metrics to measure the positive impact of these practices, local businesses may become interested in implementing these practices as well.

A parallel example is ISO certification. Although not legally required, and although many U.S. corporations do not see the value of becoming ISO certified, this voluntary certification is a prerequisite for many businesses in developing countries to be able to conduct business overseas. In pursuit of obtaining and maintaining this “seal of approval,” many local businesses all over the world have voluntarily invested thousands of man-hours and huge sums of financial resources to implement best practices, standardize and document their operations, and create safer environments for their workers. In the process, these practices helped eliminate many of the gaps and loopholes that may have allowed for cutting corners in the past.

Language is also a common barrier that must be seriously considered when leading across cultures. The use of English as the common business language worldwide can be elusive. Language often carries subtle forms of social expression that go beyond the spoken words and may be difficult for foreign speakers to pick up on, even when fluent. Much is “lost in translation” when English is not the native language of the leader, the followers, or both, because many of the intricacies of a culture are interwoven within its language. Thus, positive leaders may be well-advised to become multilingual in order to gain a deeper understanding of and communicate more effectively with their followers and other key stakeholders in the foreign cultures where they operate, including customers, suppliers, business partners, government officials, and others.

While the rest of the world has realized the importance of multilingualism for centuries, the United States continues to lag behind. However, a 2012 study of more than 1,000 companies in six continents by the American Management Association found an increase in demand for multilingual global

leaders, with about 14 percent of high-performing global companies hiring only multilingual candidates for their management positions. Multilingual employees are also in high demand. In the same study, the percentage of companies that reported providing language training for all their employees has also more than doubled, from 10 percent in 2011 to 23 percent in 2012. Multilingual proficiency is not only important in for-profit organizations. The U.S. Army Cadet Command now has extensive language proficiency programs, many of which include cross-cultural immersion for considerable amounts of time.

As a vivid recent example of the importance of language in conducting business across cultures, R, a small startup tele-communication company in Spain, gained 90 percent of the market share in some regions of the country in a little over a decade, attracting customers away from well-recognized competitors such as T-Mobile, Orange, Vodafone, Virgin Mobile, and others. One of the critical success factors for R is that it contracts with call centers with operators that speak the local languages spoken (in some cases exclusively) in various regions of the country. Most of R's European competitors may have Spanish-speaking operators, but they are rarely fluent in these local languages (and dialects), which alienates some of their customers.

Summary and Conclusion

We propose that positivity as we define it is essential for effective leaders, especially when leading across cultures. While leading across cultures poses severe challenges, positive leaders can mitigate these challenges and turn some of them into opportunities. Positive leadership builds on established and emerging leadership theories and best practices, and offers an added emphasis on adopting a systematic and integrative approach to developing, managing, leveraging, and affirming the strengths and capabilities of leaders, followers and organizations toward exceptional performance outcomes. Some aspects of positivity may be dispositional. Others may be situational and beyond the leader's control. Nevertheless, as we pointed out from the considerable research in positive psychology and our own research in positive organizational behavior (POB) and psychological capital (PsyCap), a significant share of leaders' positivity can be represented through intentional behaviors that can be developed. When viewed from the positive perspective, cross-cultural leadership can help leaders and followers become more independent, and can also leverage their PsyCap, the HERO within, toward desired attitudes, behaviors and especially improved performance in the global economy.



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As indicated, this article draws from C. M. Youssef and F. Luthans, "Positive Global Leadership," *Journal of World Business*, 2012, 27, 539—547. Our research on positive leadership, psychological capital, and positivity in general has been published in a number of articles over the past decade. For example, on the scientific foundations of positive organizational behavior and psychological capital, see F. Luthans' articles, "Positive Organizational Behavior: Developing and Managing Psychological Strengths for Performance Improvement," *Academy of Management Executive*, 2002, 16, 57—75; and "The Need for and Meaning of Positive Organizational Behavior," *Journal of Organizational Behavior*, 2002, 23, 695—706; and F. Luthans and C. Youssef's articles, "Human, Social and Now Positive Psychological Capital Management," *Organizational Dynamics*, 2004, 33, 143—160; and "Emerging Positive Organizational Behavior," *Journal of Management*, 2007, 33, 321—349. For a comprehensive summary, see F. Luthans, C. Youssef and B. Avolio's book *Psychological Capital: Developing the Human Competitive Edge* (Oxford University Press, 2007, second edition forthcoming in 2014).

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