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Recognizing Leadership at a Distance: A Study of Leader Effectiveness Across Cultures

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Abstract

The present study investigated whether personality and leadership evaluations based on photographs of Chinese CEOs made by Western raters were accurate at predicting organizational outcomes. Consistent with implicit leadership prototypes held by Westerners, perceived effectiveness was associated with higher levels of perceived intelligence, dominance, and positivity. However, actual organization performance was associated with the culturally appropriate leadership trait of risk taking. These findings suggest that although it is possible to use perceptions of personality based on photographs to predict objective leader effectiveness, individuals using a leadership paradigm suited to Western cultures are poor judges of potential success in Eastern cultures.

Keywords: cultural differences in leadership, leadership and individual differences, personality

You cannot understand the heart by reading the face.

— Chinese Proverb

Although conventional wisdom tells us that we should not judge a book by its cover, a great deal of research tells us that we intuitively do exactly that (Albright, Kenny, & Malloy, 1988; Borkeau & Liebler, 1992; Zebrowitz & Collins, 1997). Moreover, studies of ratings of first impressions based on pictures, writing samples, and living spaces have demonstrated that not only is there a great deal of interrater consensus in these judgments but also a fair degree of accuracy (Gosling, 2008). Although the benefits of being able to judge the personality of strangers based on their appearance is useful in interpersonal settings, this capacity has not yet been fully researched or understood in the field of leadership. Prior research has demonstrated that the personality characteristics of CEOs and top management teams affects organizational goals, values, strategy, and, as a result, organizational performance (Chatterjee & Hambrick, 2007; Hambrick & Mason, 1984; Hayward & Hambrick, 1997). However, actual personality ratings of top-level leaders, either from themselves or from knowledgeable coworkers, are notoriously hard to obtain (Nadkarni & Herrmann, 2010). Consequently, there

is a need to investigate whether or not accurate information regarding personality characteristics can be derived from publicly available sources such as pictures of the faces of CEOs. The present study will evaluate whether or not it is possible to link ratings of personality based on pictures of company leaders to both their perceived effectiveness as leaders and to objective organizational performance outcomes. Moreover, we will attempt to determine whether raters are capable of doing so when those being rated are from a cultural background other than their own. Specifically, we will test the efficacy of Western raters attempting to determine which Chinese CEOs are effective leaders based only on their photographs. In this article, we hope to establish whether or not there is valuable information to be gained through the analysis of CEO faces. Such information would be of value to both researchers interested in the processes underlying strategic decisions made by top management team members as well as individuals attempting to make informed financial decisions.

Leader Personality and Organizational Performance

Although it has long been understood that the strategic decisions of top-level leaders can affect performance (Cooper & Schendel, 1976; Hambrick & Mason, 1984),

very little research has investigated the role of personality in this process (Baum, Locke, & Smith, 2001; Cannella & Monroe, 1997). Recent research has demonstrated that each of the Big Five personality traits can influence strategic decisions (Nadkarni & Herrmann, 2010) and organizational culture (Elenkov, Judge, & Wright, 2005). Moreover, narrow traits such as narcissism have been linked to strategic dynamism, firm acquisition behavior, and highly variable organizational performance (Chatterjee & Hambrick, 2007; Hayward & Hambrick, 1997). Organizations with leaders characterized by high internal locus of control are more innovative and more willing to take risks (Miller, Kets de Vries, & Toulouse, 1982). Thus, although some authors have argued that the relationship between CEO personality and organizational performance is not clear (Rule & Ambady, 2008), the increasing weight of empirical evidence suggest that the personality of leaders does affect organizational performance (Jacquart, Antonakis, & Ramus, 2008; Zaccaro, Kemp, & Bader, 2004). Although a wide range of broad and narrow traits have been investigated, a recent meta-analysis on the relationship between traits and leadership outcomes demonstrated that both intelligence and the Big Five traits were significant predictors of leader effectiveness and group performance outcomes (DeRue, Wellman, Nahrgang, & Humphrey, 2011). This mirrors prior reviews of the leadership literature that have linked leader effectiveness with traits such as dominance, positivity, risk taking, supportiveness, and intelligence as antecedents of effective leadership (Avolio & Gardner, 2005; Bass, 1990; Hater & Bass, 1988; Lord, De Vader, & Alliger, 1986).

Personality and Strategic Leadership in China

China's rapid ascent in global prominence as an economic power has been matched by increased interest regarding the nature of leadership in China (Barney & Zhang, 2008). Recent reviews have discussed China's unique history as a context for understanding leadership in modern China. Modern-day Chinese culture represents a variety of competing value systems such as a long history of Confucian values, a more recent history of communist ideology, and the dynamic influence of current economic reforms (Tsui, Wang, Xin, Zhang, & Fu, 2004). One consequence of this convergence of ideologies, history, and globalization is that leaders must be flexible and ready to adapt to a constantly changing environment (Peng, 2004). That said, it has been noted that little is known about what personality characteristics are associated with successful leadership in Chinese companies (Littrell, 2002; Wang, Tsui, & Xin, 2011).

Applicability of Western Concepts of Leadership in China

Although some researchers have made the argument that characteristics associated with effective leadership are

broadly the same across cultures (Hogan, 2007), there is reason to believe that culture may affect both preferences for leadership styles (Bond & Smith, 1996) and the determinants effective leadership (Dorfman et al., 1997; Hofstede, 2007). However, it should be recognized that because cultural values covary with economic development (Matsumoto, 2002), both historical cultural values and prevailing economic conditions could be expected to play a role in determining how leadership styles relate to leader effectiveness. For example, in China one would expect to find preferences for leadership based on cultural values of high collectivism, high-power distance, and high uncertainty avoidance (House, Hanges, Javidan, Dorfman, & Gupta, 2004). However, the rapid growth of the economy and changing cultural norms may create a context where the characteristics that are traditionally preferred in leaders may not be the ones associated with effective leadership (Tsui et al., 2004).

With regard to the personality characteristics of Chinese leaders, Littrell (2002) has argued that traits typically associated with leader effectiveness in the West (e.g., dominance, trust, and charisma) are unlikely to be found among Chinese leaders because leaders and individuals displaying those characteristics were purged during the Cultural Revolution. Instead, characteristics associated with maintaining strict control are viewed as positive, whereas risk taking is deemed unimportant for leadership functioning (Littrell, 2002). However, recent research has demonstrated greater heterogeneity in leadership styles than would be expected (Tsui et al., 2004). Although an old "authoritative" style of leadership, characterized by a paternalistic mix of dominance and supportiveness, exists in the state-owned companies, there is a new "advanced" style of leadership characterized by risk taking that is emerging in privately owned companies in response to globalization. Recent research supports the idea of a new, effective leadership style taking hold in China. Wang et al. (2011) have demonstrated that the performance of Chinese companies is positively affected by leaders characterized by risk taking and creativity but not directly affected by old-style leadership characteristics such as benevolence and being authoritative.

Facial Characteristics, Personality, and Leader Effectiveness

Because of the extreme difficulty associated with gaining direct access to corporate leaders for research purposes (Nadkarni & Herrmann, 2010), many researchers have instead relied on indirect methods such as coding information presented in annual shareholder reports that can be linked back to the CEO or top-management team (e.g., Chatterjee & Hambrick, 2007; Jacquart et al., 2008). One novel method to this approach is to use the pictures of CEOs in annual reports as a basis for collecting ratings at a distance.¹

Although it seems improbable that accurate information about personality can be gained from looking at

staged pictures of CEOs in annual reports, prior research suggests that this is not a hopeless endeavor. Humans are actually fairly good at judging the personality of others based on short or single encounters (Albright et al., 1988; Borkeau & Liebler, 1992; Zebrowitz & Collins, 1997), and research has shown that strangers can make surprisingly accurate personality judgments based on seemingly innocuous information such as living spaces, postings online, or even partial photographs (Gosling, 2008; Naumann, Vazire, Rentfrow, & Gosling, 2009; Penton-Voak, Pound, Little, & Perrett, 2006). For example, when exposed to facial photos of strangers, participants have been accurately able to rate cooperativeness (Stirrat & Perrett, 2010), aggression (Carre, McCormick, & Mondloch, 2009), ethical behavior (Haselhuhn & Wong, 2011), and criminality (Valla, Ceci, & Williams, 2011). The accuracy of such ratings is believed to derive from the effect use of facial cues such as height-to-width ratios that signal the presence of larger concentrations of hormones, such as testosterone, that are antecedents of phenotypic personality traits (Carre & McCormick, 2008; Haselhuhn & Wong, 2011; Oosterhof & Todorov, 2008).

There is evidence that this accuracy carries over to the leadership domain. In studies of ratings of leader emergence, a number of researchers have demonstrated that even brief exposures to the faces of politicians was enough for participants to make inferences of competence and then choose election winners with surprising accuracy (Antonakis & Dalgas, 2009; Todorov, Mandisodza, Goren, & Hall, 2005; Zebrowitz & Montepare, 2005). Similarly, ratings of facial dominance of military cadets have been shown to be predictive of later promotions (Mueller & Mazur, 1996).

With regard to leadership effectiveness, the evidence points to the utility of facial photos as well. Rule and Ambady (2008) had students rate photos of 50 male *Fortune* 1000 CEOs and found that perceived dominance and perceived effectiveness were related to corporate profits. Subsequent studies demonstrated that ratings of the competence and leadership of female CEOs predicted corporate profits and perceived dominance predicted the amount of compensation the CEO received (Rule & Ambady, 2009), and photograph-based ratings of dominance of managing partners in top law firms was associated with greater firm profitability (Rule & Ambady, 2011). Livingstone and Pearce (2009) also found evidence that facial features can be linked with firm performance. Specifically, they found that baby-faceness, a perceptual signal for warmth or kindness, was negatively related to annual revenue for Caucasian CEOs but was positively related to annual revenue for non-Caucasian CEOs. A similar study by Wong, Ormiston, and Haselhuhn (in press) found that facial width (relative to facial height), which has been associated with higher levels of trait aggression, was associated with superior financial performance in a sample of *Fortune* 500 companies.

Although each of these studies were suggestive of the utility of ratings of CEO pictures as sources of perfor-

mance-relevant personality information, each of them failed to take into account important situational factors such as organization size and industry type that may moderate the relationship between leader personality and organizational performance. Moreover, each of the previous studies of ratings of leader personality and perceived leader effectiveness were made within a single cultural framework. No work to date has examined the efficacy of raters evaluating the perceived personality and effectiveness of leadership across cultural boundaries.

Although there are no published cross-cultural studies linking photograph-based personality ratings to leadership effectiveness outcomes, there is an emerging literature on the relationship between leader emergence and culturally based perceptions of competence. In a number of studies, Rule, Ambady, and Adams (2010) demonstrated that both American and Japanese raters were able to accurately pick election winners in their own culture but were unable to do so across cultures. Based on their ratings of the leader's photographs, Rule et al. (2010) demonstrated that this was because each set of raters tended to use their own culture's implicit prototype of what effective leaders are like regardless of which culture they were making ratings for. However, Rule et al. (2010) also showed that personality ratings made by raters from either culture were equally useful for predicting election winners. In other words, although personality judgments were equally valid across cultures, personality cue utilization was biased such that the wrong traits were used for making judgments of leader effectiveness in other cultures. Consequently, we would expect to find a similar pattern of results for ratings of business leaders across cultures. That is, raters from a different culture will mistakenly use their own culture's implicit leadership prototype when making judgments of leader effectiveness, but their ratings of personality traits will show significant relationships with performance outcomes. Furthermore, we would expect that the traits most related to organizational performance will be those that match the prototype of an effective leader in the target culture.

Based on these findings and prior literature on Eastern and Western models of leadership, we hypothesize that when making ratings of leader effectiveness for Chinese CEOs, Western raters will associate leader effectiveness with higher levels of dominance, intelligence, and positivity (Hogan, 2007; Lord et al., 1986). Because of this, we also expect that ratings of Chinese CEO leader effectiveness by Western raters will be unrelated to actual organizational performance in China (Rule et al., 2010). Finally, we hypothesize that ratings of personality characteristics associated with effective leadership in China, such as risk taking, will be positively related with organizational performance, whereas ratings of personality characteristics associated with old-style, paternalistic leadership, such as supportiveness, will be unrelated to organizational performance (Rule et al., 2010; Wang et al., 2011).

The Present Study

Our study is a constructive replication of the Rule et al. (2010) study in that it tests similar hypothesized relationships but evaluates the relationship between photograph-based personality ratings and leader effectiveness. Furthermore, we take into account important organizational variables neglected in prior research, such as organization size and industry type. We also assess a wider set of personality traits than previous research and focus specifically on characteristics shown in previous research to relate to leader effectiveness. Finally, we also test the impact of perceived personality not only on perceived leader effectiveness but also objective organizational performance. These two outcomes are important as prior research (Rule & Ambady, 2008) has established that perceived effectiveness is a valid predictor of actual performance within a culture, but the relationship has not been tested across cultural boundaries. Put more succinctly, we intend to test not only what characteristics Western raters use to make judgments of leader effectiveness but also whether they are accurate judges of actual leader effectiveness in a culture other than their own.

Method

We employed a multitrait, multimethod approach in the current study. Data concerning organization performance were gathered from the 2008 English-language annual reports of Chinese companies listed on the Hong Kong Stock Exchange. We compiled data only from companies where CEOs pictures were included as part of the annual reports. As a result of this screening process, a final sample of 71 CEOs and organizations was available for the current study.

To control for staging effects, we removed background information in the photos and attempted to equalize the size of the heads as a proportion of the photo before conducting personality ratings. Photos were rated by 105 American students (49% male) attending a university in the Midwest. Participants were asked to rate the CEO's appearance, personality, and effectiveness as a leader. On average, each participant rated 13 pictures. Consequently, reported reliabilities are intraclass correlations rather than scale reliabilities. Because each rater can be treated as an item in these analyses, aggregating across large numbers of raters has been shown to produce highly reliable estimates of the construct being rated (Harms, Roberts, & Wood, 2007; Wood, Harms, & Vazire, 2010).

Age

To control for the effects of age and age stereotypes on trait perceptions participants rated the perceived age of the CEOs according to the following scale: 1 (20-29), 2 (30-39), 3 (40-49), 4 (50-59), 5 (60-69), and 6 (70-79).

Personality and Attractiveness

CEOs were rated on the following characteristics using a 1 (*not at all descriptive of this person*) to 6 (*very descriptive of this person*) scale: "intelligent, smart," "dominant, powerful," "cautious, unwilling to take risks," "good-looking, attractive," and "supportive, helpful." The intraclass correlation coefficients ranged from .20 for risk taking to .57 for supportiveness. The item for risk taking was reverse-scored so that higher scores reflected a greater propensity for risk taking.

Positive Emotional Expression

The positivity of the CEO's facial expression was assessed using the item "Please rate the emotional expression of the person in the picture using the following scale" (1 = *highly negative* to 7 = *highly positive*).

Perceived Effectiveness

Participants rated the question "How effective would this person be at running a large company?" on a 7-point scale from 1 (*very ineffective*) to 7 (*very effective*).

Organizational Performance

Organizational performance was derived from annual reports and operationalized as the return on equity (ROE) and return on assets (ROA) of the companies being assessed. ROE was calculated as net income/shareholder's equity. ROA was calculated as net income/total assets.

Industry Type

To control for industry-specific performance effects, we included dummy codes for three major categories of industry: Manufacturing, Finance and Insurance, and Other.

Organization Size

To control for effects of organizational size, we dummy-coded organizational size based on the accounting book value in the annual report as being "Large" or not. We defined large companies as having accounting book values greater than 10 billion renminbi.

Results

The means, standard deviations, and intercorrelations of the variables in the present study are presented in Table 1. Initial analyses showed that perceived leadership effectiveness was strongly related to perceived intelligence ($r = .72, p < .05$), dominance ($r = .50, p < .05$), supportiveness ($r = .34, p < .05$), emotional positivity ($r = .34, p < .05$), and attractiveness ($r = .47, p < .05$). Only risk taking was significantly correlated with one of the organizational performance indicators ($r = .30, p < .05$).

Table 1. Means, Standard Deviations, and Correlations for Study Variables

	M	SD	1	2	3	4	5	6	7	8	9	10	11	12	13
1. Intelligent	4.51	.36	(.37)												
2. Dominant	4.15	.45	.41*	(.44)											
3. Risk taking	3.27	.30	-.15	-.01	(.20)										
4. Supportive	3.85	.55	.25*	-.35*	.12	(.57)									
5. CEO age	3.18	.63	.14	.43*	-.19	-.17	(.77)								
6. Attractive	2.78	.51	.36*	.03	-.19	.65*	-.41*	(.44)							
7. Positive emotional expression	4.55	.98	.21	-.32*	.08	.89*	-.15	.61*	(.80)						
8. Perceived leader effectiveness	4.70	.46	.72*	.50*	.06	.34*	.23	.47*	.34*	(.38)					
9. ROE	.08	.14	.08	.10	.30*	-.02	.03	.11	.00	.16					
10. ROA	.04	.06	.09	.06	.21	.02	-.02	.13	.02	.09	.75*				
11. Manufacturing	.16	.37	.05	-.16	.07	-.06	.13	-.20	-.09	-.09	-.09	-.04			
12. Finance/insurance	.19	.39	-.03	.01	-.03	-.10	-.02	-.10	.05	-.15	-.17	-.14	-.21		
13. Firm size	.38	.49	.32*	.17	-.07	-.08	.04	-.02	-.06	.14	.04	-.10	-.09	.31*	
14. Percentage state ownership	.52	.18	.14	.13	-.10	-.18	-.17	.11	-.15	-.05	.06	.17	-.21	.01	.31*

ROE = return on equity; ROA = return on asset. N = 69-71.

* $p < .05$

To fully evaluate the effects of personality, we used multiple regressions that controlled for organizational variables as well as CEO age and attractiveness. However, to fully evaluate the effects of personality on organizational performance, it was necessary to conduct further analyses. First, it was necessary to control for organization size and type in order to remove those factors as potential confounds. Second, because age and attractiveness have been demonstrated to be related to perceptions of leadership in past research (Bass, 1990), we controlled for these variables in our additional analyses. Finally, because there was possibly a halo-effect caused by common-method and common-source variance in our personality ratings, it was necessary to enter the perceived personality variables into simultaneous regression equations to evaluate their unique effects.²

Consistent with previous research, Western raters associated the perceived leadership effectiveness of the target CEOs with their perceived emotional positivity ($\beta = .33, p < .05$), intelligence ($\beta = .50, p < .05$), and dominance ($\beta = .29, p < .05$; see Table 2). Although risk taking and supportiveness had been identified in previous research as being associated with leader effectiveness in China (e.g., Wang et al., 2011), these characteristics were not used by Western raters when making their judgments of perceived leader effectiveness. Thus, our hypotheses concerning the characteristics implicitly associated with leadership effectiveness by Western raters were supported.

For the objective indices of organizational performance, only risk taking was a significant predictor of

both ROE ($\beta = .36, p < .05$) and ROA ($\beta = .29, p < .05$). Not only were none of the characteristics implicitly employed by Western raters to evaluate leader effectiveness predictive of actual performance, but perceived effectiveness itself was unrelated to actual performance.

Discussion

In the present study, we aimed to test the idea that the personalities of CEOs could be derived from photographs in annual reports and that these perceived characteristics would be associated with both perceived leader outcomes and actual organizational performance. Moreover, we aimed to show that Western implicit prototypes of leadership are robust across cultural boundaries but are not accurate predictors of actual effective leadership across cultural boundaries. We believe that we were successful in this endeavor. Not only were we able to reliably rate the perceived personality of Chinese CEOs, we were also able to relate those ratings to both perceived leader effectiveness and objective organizational outcomes in meaningful ways.

We used an array of theoretically relevant traits to predict perceived leader effectiveness and objective organizational outcomes. As expected, Western raters associated agentic traits such as dominance, positivity, and intelligence with perceived leader effectiveness. This largely follows the idea that these raters were using their own cultural norms for leader prototypes irrespective of the target (Rule et al., 2010). Furthermore, it should be noted that none of these characteristics or the overall rating of leader effectiveness was related to ac-

Table 2. Multiple Regression Equation Results for Personality Predicting Leadership Perceptions and Organizational Performance

	Perceived Leadership Effectiveness	Return on Equity	Return on Assets
Size	.03	-.08	-.18
Manufacturing	-.10	-.09	-.09
Finance/insurance	-.17*	.23	-.12
Percentage state ownership	-.14	.09	.20
CEO age	.13	.24	.15
Attractive	.18	.24	.13
Positive emotional expression	.33*	-.14	.12
Intelligent	.50*	.09	.24
Dominant	.29*	-.30	-.15
Supportive	-.13	-.23	-.27
Risk taking	.10	.36*	.29*
Leadership effectiveness		.23	-.06
R ²	.74	.21	.15
F value	14.92*	1.22	.84

Standardized betas from a multiple regression equation are reported. $N = 69$.

* $p < .05$.

tual objective indicators of organizational performance. Raters appeared to be largely clueless about who would be effective leaders and were poor judges of what characteristics should be used to make such judgments. Thus, there appears to be strong evidence that Western conceptions of effective styles of leadership are not appropriate in the Chinese context.

Interestingly, our results did demonstrate a robust replication of previous research showing a significant relationship between organizational performance and risk taking (Wang et al., 2011). This is not entirely unexpected as some experts have argued that given the largely unstructured, fast-paced, and dynamic corporate culture in China, success and leader emergence is primarily due to willingness to take risks (Chang, 2008).

Implications

This study opens the possibility of conducting research into the personality of members of top management teams without ever having to survey them directly or engaging in time-consuming coding of annual reports. Prior research has indicated that zero-acquaintance judges of personality based on photographs are surprisingly accurate and we have no reason to believe that photos of CEOs would be any different. Given the results of the present study and in previous research (Rule & Ambady, 2008, 2009), there is little doubt that some signals relevant to personality are being displayed in CEO photographs and that these characteristics impact strategic decision making and, in turn, organizational outcomes.

Furthermore, the results of the present study add to the substantial literature demonstrating that implicit leader prototypes are robust and that raters use them when making judgments of effectiveness (Lord et al.,

1986; Rule et al., 2010). However, the present study indicates that the use of these prototypes in cross-cultural settings may not only be inappropriate but also entirely inaccurate. The present study suggests that efforts to impose Western conceptions of leadership or Western models of leadership on Asian contexts are fraught with peril. It suggests that future research is needed to establish leadership models more suited to the dynamic, fast-paced nature of modern-day Asia.

In terms of practical implications, the present study offers a chance for business leaders seeking strategic business partners in China a chance to gauge whether or not it would be appropriate to go with the impressions about who would be reliable and effective leaders. It turns out that Western perceptions of effectiveness were completely unrelated to actual effectiveness. However, it should be noted that ratings of risk taking were significant predictors of organizational success. This finding is important in and of itself in that it shows the robustness of personality judgments of zero-acquaintance others even across cultural boundaries. The problem with the judgments of Westerners is not one of whether the relevant information to make an informed decision is available, but how it is used. Westerners misapply their agentic prototypes of heroic leadership to the Asian context and are then stymied in their efforts to select the best leader for that context. Consequently, it would make sense for business leaders seeking strategic partners to have the perceived personality characteristics of their potential Chinese business partners rated and then make decisions based on actuarial rather than clinical judgment. Since ratings of perceived personality were able to detect significant predictors of organizational performance, this could result in better decision making even if the instincts of the leaders making the ratings were bad.

Limitations

One potential limitation of the present study is that the personality ratings were based on the perceptions of zero-acquaintance raters. Although there may be skepticism regarding the interpretability of personality ratings based on pictures, it should be noted that prior research has revealed such judgments to be surprisingly accurate (Gosling, 2008). Moreover, it should be noted that even within the field of personality psychology, there are substantial concerns about the over-reliance on self-report measures in research (Hofstee, 1994) and numerous authors have called for research employing other means of assessing personality (e.g., Roberts, Harms, Smith, Wood, & Webb, 2006). Furthermore, within the field of strategic leadership, the use of behavioral residue such as CEO photos found in shareholder reports for making judgments concerning personality and predicting organizational performance is widely accepted (e.g., Chatterjee & Hambrick, 2007). Unorthodox solutions to the problem of CEO inaccessibility may not be ideal, but they have, in many cases, proven reliable and practical. That said, future research should attempt to evaluate the convergence between zero-acquaintance ratings of the personality of CEOs with both their own self-ratings and the ratings of those close to them.

Another limitation of the present experiment is that it used only Westerners as raters. Although the purpose of the present study was to evaluate the attributional processes of Westerners and evaluate their appropriateness, future research would be well served by employing a full within- and between-culture assessment of prototype usage for evaluating leader effectiveness. Although prior research has established that Western raters can accurately judge effective leadership in their own cultures, there is no research to date demonstrating that Asians can accurately identify effective leaders within their own cultural context.

A related concern is that there may be reason to doubt the accuracy of personality ratings made by Western raters for members of a culture that is not their own. These concerns can be addressed by recent research (Walker, Jiang, Vetter, & Sczesny, in press) that has shown that trait ratings of faces are essentially universal. That is, irrespective of culture of origin, trait inferences are equivalent. The fact that the ratings made in the present study were effective predictors and largely replicated prior research not only supports this finding but also lends support to the idea that these ratings are at least somewhat valid. Nonetheless, future researchers should attempt to evaluate the accuracy of personality ratings made by Asian raters for both Western and Asian leaders and whether or not they engage in similar attributional errors based on culture-specific leadership prototypes.

Another major limitation of the current study was that it did not take into account the effects of leader personality over time. Moreover, although the amount of

state ownership was taken into account, it may not fully account for the amount of autonomy that a CEO had to make strategic decisions concerning their organization. Both time and autonomy have shown to strengthen the effects of leader personality so the present study likely underestimates the degree to which perceived personality variables can be used to predict organizational outcomes. Future research should take to address these concerns in order to more accurately gauge the impact of leader personality on organizational performance.

One final limitation of this study was that it was limited to the Chinese business context. Future research should be done in different cultures at different stages of economic development to replicate these results and further explore the question as to what makes an effective leader in a developing economy.

Conclusion

The present study used Western raters to judge the personality and effectiveness of Chinese CEOs and used those ratings to predict organizational performance. Western raters mistakenly used their own agentic prototypes of leadership for judging leader effectiveness in another culture where a different leadership profile is more effective. The results of the present study further indicated that despite rater judgment errors and limited information, ratings of leader personality based on photos can be used to predict organizational outcomes. This study further demonstrated the need for further research on the nature of effective leadership in the Asian context.

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Notes

1. Although pictures in company annual reports may be staged and may possibly be airbrushed or otherwise altered to make appearances more attractive, these possible confounds make our analyses more conservative in that such alterations should work against our hypotheses.
2. The variance inflation factor for each of the predictors in the model was below 10, indicating that multicollinearity was not a cause for concern (O'Brien, 2007).

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