

**EXPLORING CULTURAL DIMENSION AND ITS IMPACT ON  
TRANSFORMATIONAL LEADERSHIP STYLE IN INDONESIA  
(A STUDY AT STATE ISLAMIC UNIVERSITY OF MAULANA  
MALIK IBRAHIM-MALANG)**

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**ABSTRACT**

This study examines the cultural dimensions practiced by leaders and the impact of the cultural dimensions on leadership styles of leaders in State Islamic University of Maulana Malik Ibrahim. The variables used in this study are five cultural dimensions and transformational leadership style. This study applies quantitative method to reveal the effect of independent on dependent variables. This study used employees' perspective of their leader characters to reveal the cultural dimensions and its effect on transformational leadership style. Data collection method used in this research was probability sampling method with the sample of 90 employees at State Islamic University of Maulana Malik Ibrahim. The hypotheses were tested using logistic regression analysis. The results showed that the leaders at State Islamic University of Maulana Malik Ibrahim practiced big power distance which causes gaps among the leaders and employees. They also tend to be individualism-based in managing the organization. With the power focus, they possess masculine culture in which more logical reasoning is highlighted. Although they can accept uncertainty of the results, the leaders still focus on the future benefits of every decision they make. Moreover, the independent variables power distance, uncertainty avoidance, and terms of orientation significantly influence transformational leadership style practiced at the university. However, individual/collectivism and masculinity/femininity factors do not have any influence on the implementation of transformational leadership style in this university.

**Keywords:** *Cultural Dimension, Transformational Leadership Style*

## **INTRODUCTION**

Due to the importance of expanding organization worldwide, leaders who can survive in different environments quickly and work with partners and employees from different cultural backgrounds are needed in organizations. Nevertheless, changing the cultures of business still becomes a series challenge with which many organizations have to deal. Effect of industrialization on leadership behavior has been considered as an intercultural effect. To be specific, Indonesia follows cultural values above individual matter and puts ahead cooperation work. Government offices in all provinces have many employees with Javanese background. Consequently, the Javanese culture has a large influence on administration and business. The concept of power in Javanese perspective is infused into modern Indonesia. In relation to the elder and persons in high position, Javanese should experience a feeling of shame (Magnis-Suseno, 1991). People are taught to be concerned about other people's opinion; someone's reputation and pride depend on the view point of others. In line with that, a specific Indonesian aspect of decision-making behavior is discussion and consultation-consensus (Brandt, 1997; Pareek, 1988). In this concept, everyone is given the opportunity to speak out, every difference is negotiated, and adjustments are made until consensus is reached.

Based on Darwis and Djajadiningrat (2010), Indonesian leader is both creator of culture and product of cultural socialization. Giving another word, culture is seen as a product of leadership and an agent of socialization among leaders. The culture influences leadership as much as leadership affects culture. There is relation between the leadership styles of immediate supervisor and organizational culture in company. Most university in Indonesia are located in East Java province. Majority of the lecturers are from East Java province. However, there are several lecturers are from other cities and other countries (Nashih and Damanhuri, 2012). The culture is commonly attached to the leaders' behavior as part of their leadership style. In line with that, Hofstede et al. (2006) revealed that Indonesian people accept hierarchical relationships and unequal power among individuals in organization and community.

Leader behavior categories are influenced by cultural forces as well as the frequency of their performance and effectiveness (House et al., 1997). Several studies have been trying to categorize different dimensions of leadership styles that underlie leaders' behavior. Nazarian and Atkinson (2013) who investigated the relationship between national culture and leadership style found that all the dimensions of national culture have a significant relationship with transformational and transactional leadership styles. Moreover, Suryani et.al (2012) studied Indonesian leadership characteristics and revealed two components; a more local modernization dimension from (traditional) benevolent paternalism to (modern) transformational leadership and a more universal person- versus team-oriented leadership dimension. The cultures in the university will influence the leaders' behavior which creates the style of leadership. Therefore, this study focuses on exploring the cultural behavior and the behavioral leadership style in Indonesia as the impacts of strong cultural influence in the country. This study seeks for answers on the following questions: What are the culture dimensions practiced by leaders perceived by the employees at the State Islamic University of

Maulana Malik Ibrahim? and How do the cultural dimensions influence transformational leadership of leaders at the State Islamic University of Maulana Malik Ibrahim?

## **LITERATURE REVIEW**

### **National Culture**

In understanding national culture, there are five elements inherent therein need to be analyzed. According to Hofstede (2005), culture consists of various levels since most people belong to different groups and categories and every group or category of people carries a set of common mental programs that constitutes its cultures. Hofstede (2005) identifies these different combinations of elements as individualism vs. Collectivism; low vs. high power distance; masculinity vs. femininity, uncertainty avoidance and long term vs. short term perspective.

### **Leadership Theory**

Leadership in this study refers to: the ability of an individual to influence, motivate, and enable others to contribute towards the effectiveness and success of the organizations of which they are members (House et al., 2002). Sharma & Jain (2013) defines leadership as a process by which a person influences others to accomplish an objective and directs the organization in a way that makes it more cohesive and coherent. There are a number of ways to classify leadership styles. According to Buckingham (2005), there are four styles of leadership, authoritative, affiliative, democratic, and coaching. Another categorization of implicit leadership styles across the world is provided by the Project GLOBE where researchers identified six global leadership dimensions that differentiate cultural profiles of desired leadership qualities and behavior. These leadership styles were: *charismatic/value-based, self-protective, autonomous, humane-oriented, participative and team-oriented* (House et al., 2002). Based on the new approach to leadership, leadership styles include transformational leadership style (Bass and Avolio, 1990). Transformational leadership is defined as a leadership approach that causes change in individuals and social systems. In its ideal form, it creates valuable and positive change in the followers with the end goal of developing followers into leaders.

The different leadership styles can have basic characteristics in common. Walumbwa, Avolio, Gardner, Wernsing, & Peterson (2008) mention that leadership should include the dimensions of self-awareness, balanced processing, relational transparency, and the adoption of a moral perspective. Transformational leadership represents five leadership factors (Antonakis, Avolio & Sivasubramaniam, 2003). These include inspirational motivation, idealized influence (attributed), idealized influence (behavior), intellectual stimulation, and individualized consideration. There are several factors related to cultures that influence leadership in Indonesia. These include language, religion, hierarchy, time, age, saving face, and relationships (Smith, 2012).

### **The Impact of Cultural Dimensions on the Leadership Styles**

The nature of the interdependent relationship between leadership styles and cultural underpinnings cannot be ignored or underestimated. Most studies reveal the influence of cultural values, beliefs and expectations on leadership styles through a complex set of behavioral processes involving culture-specific roles and responsibilities that are deemed appropriate for leadership. Nazarian and Atkinson (2013) documented that all the dimensions of national culture have a significant relationship with transformational and transactional leadership styles whereas there were mixed relationships between national culture dimensions and the passive leadership style. Jogulu (2010) examined whether cultural context facilitates the emergence of different leadership styles. He found that transactional leadership was found to be strongly aligned with the ratings of managers from Malaysia, and transformational leadership scales correlated with the Australian respondents' mean ratings. Ardichvili and Kuchinke (2002) conducted cross-cultural study utilizing the full range leadership framework developed by Bass and Avolio and Hofstede's model of culture. They discovered that there is a link between leadership style and cultural dimensions.

This discussion leads to the following hypothesis: Cultural dimensions affect the transformational leadership style followed by the leaders in State Islamic University of Maulana Malik Ibrahim Malang.

### **RESEARCH METHOD**

To answer the research questions, this study is conducted in quantitative descriptive inferential approach. This research applied quantitative survey design. This study is conducted at State Islamic University of Maulana Malik Ibrahim in East Java, Indonesia. The population of the study consists of employees at the university. The lecturers consist of 500 people, while the staffs are as many as 426 people (Elosta, 2014). As many as 90 employees including 45 staff and 45 lecturers of State Islamic University of Maulana Malik Ibrahim, Malang were assigned to give response to the questionnaires. In this study, researchers used an independent variable, cultural dimensions applied at the university, and a dependent variable, transformational leadership style.

To help obtaining the data, close questionnaires of cultural dimensions and leadership behavior is used. In analyzing the data, SPSS program to find average was used to answer the first problem on this study. Moreover, the second problem was solved using regression analysis. Initially, T-test analysis on the leadership factors and cultural dimensions will be examined to find the leadership profile and organization culture. Following that, tests on multiple regression analysis was conducted to determine whether independent variables affect the dependent variable.

## FINDINGS

### Cultural Dimension at State Islamic University of Maulana Malik Ibrahim

**Table 1 Cultural Dimension**

No.	Cultural Dimension		Mean
1	Power	Big Power Distance	3.61
	Distance	Small Power Distance	3.57
2	Individual /	Individual	3.45
	Collectivism	Collectivism	3.43
3	Masculinity/	Masculinity	3.69
	Femininity	Femininity	3.51
4	Uncertainty Avoidance	Strong Uncertainty	3.31
		Avoidance	
		Weak Uncertainty	3.37
5	Orientation Term	Avoidance	
		Long-term Orientation	3.94
		Short-term Orientation	3.90

Descriptive Statistics is used to describe the general findings of the data. It is used to illustrate the quality of the data. From the descriptive statistics, it is seen that the leaders in State Islamic University of Maulana Malik Ibrahim hold on the big power distance which creates gaps among the leaders and employees. Moreover, they also tend to be individualism based in managing the organization. With the power focus, they possess masculine culture in which more logical reasoning is highlighted. Although they can accept uncertainty of the results, the leaders still focus on the future benefits of every decision they make. The details of each result are explained in the following descriptions.

### Classical Assumption Test

#### Normality Test

The normality test aims to test whether the regression model or residual confounding variable has a normal distribution or not. The residual data was normally distributed, because the significance value is above 0.05. Therefore,  $H_0$  is accepted. Thus, the normality is qualified.

#### Multicollinearity test

Multicollinearity test is done to obtain that there is no strong relation or there is no perfect linear relation or it can also be considered that there is no relation in each independent variable. The test is done by comparing value of tolerance resulted from multiple regression calculation. If value of tolerance is < 0.15 then there is multicollinearity.

**Table 2 : Multicollinearity test result**

Model		Collinearity Statistics	
		Tolerance	VIF
1	Power Distance	.398	2.513
2	Individualism/Collectivism	.320	3.129
3	Masculinity/Femininity	.369	2.711
4	Uncertainty Avoidance	.452	2.213
5	Terms of Orientation	.375	2.667

The result of the test indicates the value of tolerance  $> 0.1$ . Thus, it can be concluded that the multicollinearity does not occur between the independent variables.

### Hypothesis Test of Multiple Linear Regression

Linier Regression is used to calculate the influence of each of the independent variables which include Power Distance ( $X_1$ ), Individual/Collectivism ( $X_2$ ), Masculinity/Femininity ( $X_3$ ), Uncertainty Avoidance ( $X_4$ ), and Terms of Orientation ( $X_5$ ) to the dependent variable which is Transformational Leadership Style ( $Y$ ).

**Table 3 Results of Hierarchical Regression**

Model		Standardized Coefficients		t	P	
		B	Std. Error			
1	(Constant)	.819	.328	2.495	.015	
	Power Distance	.230	.113	2.039	.045	Sig
	Individual/Collectivism	.072	.136	.525	.601	Not sig
	Masculinity/Femininity	.038	.125	.301	.764	Not sig
	Uncertainty Avoidance	.242	.103	2.349	.021	Sig
	Terms of Orientation	.265	.123	2.156	.034	Sig

According to Table 3, the obtained regression results are as follows.

- The test of relation between Power Distance and Transformational Leadership Style indicates sig t of 0.045 ( $< 0.05$ ). Thus, Transformational Leadership Style can be influenced significantly by Power Distance.
- The test of relation between Individual/Collectivism and Transformational Leadership Style indicates sig t of 0.601 ( $> 0.05$ ). Thus, Transformational Leadership Style cannot be influenced significantly by Individual/Collectivism.
- The test of relation between Masculinity/Feminity and Transformational Leadership Style indicates sig t of 0.764 ( $> 0.05$ ). Thus, Masculinity/Feminity does not significantly influence Transformational Leadership Style.

- The test of relation between Uncertainty Avoidance and Transformational Leadership Style indicates sig t of 0.021 ( $< 0.05$ ). In short, Masculinity/Feminity dimension of culture significantly influences the practice of Transformational Leadership Style.
- The test of relation between Terms of Orientation and Transformational Leadership Style indicates sig t of 0.034 ( $< 0.05$ ). Therefore, the increase of decrease of Terms of Orientation will influence the level of Transformational Leadership Style practiced in the university.

## **DISCUSSION**

### **Discussion of the Cultural Dimensions Practiced by Leaders**

Due to the bigger number in Variable Big Power Distance, it is revealed that the leaders in State Islamic University of Maulana Malik Ibrahim possess big power distance in leading the employees in the university. This indicates that the leaders tend to build big gap between them and their employees as Indonesian society is strictly hierarchical and this is highly evident in the workplace. Indonesian people who are in high or low position status feels comfortable with the condition and take it for granted for that kind of relationship. Indonesian leaders get a proper right as superiors. Moreover, the subordinates accept these conditions without questioned. This finding is similar to that by Smith (2012). According to Smith (2012), managers in Indonesia hold senior positions are expected to make decisions, give directions and provide leadership.

The leaders have an individual cultural style in leading the organization. There are two main reasons of the individualism in the workplace in Indonesia, the big number of Indonesian population creating the high level of natural competition in searching for a job and the working demands that lead to a social nature because of the narrowness of space and time to meet and interact to each other. Self acknowledgement has caused high competition among workers and leaders. This condition has caused the Indonesians to be more individualist. Koentjaraningrat (1999) mentioned that basically all Javanese nuclear families take care of their own welfare.

As having individual style, the leaders are observed as assertive, decisive, and aggressive which reflect masculine culture. As the government activities are centered in Java Island, leaders tend to practice Javanese culture according to which leaders are seen as a father within the organization. A father is expected to show masculine behavior which describes his ability in managing the organization. The perception level of the cultural dimensions of this high Masculinity level showed a friction process of cultural dimensions due to the masculine characteristics: assertiveness, money, material and success. A leader is seen as a person who is strong, intelligent, charismatic, brave, and independent. These characteristics are mostly found in males rather than females. In addition, Indonesians tend to value men higher over the women. In reality, most of Indonesian companies, institutions and government departments are led by male rather than female leaders. This supports the finding of Westwood (1992) who

brought forward the paternal model of leadership concluding that this is the characteristic form of leadership present in South-East Asia.

The leaders do not avoid the uncertainty in the decision making. This indicates that the leaders can accept uncertainty of the result of the decision or uncertain future of the plans in the organization. This affects on the work performance. Time is by no means unimportant to Indonesians. Indonesians do not like to be rushed and prefer to devote more time to developing relationships, gathering group consensus and weighing up ideas. This result is in line with that found by Ghemawat and Reiche (2011). They discovered that in societies with low uncertainty avoidance there is a preference for unstructured situations and ambiguity, which favors risk taking (i.e., starting a new business), innovation and the acceptance of different views.

The leaders place high value on ensuring long term stability of the organization and they tend to approach issues with the thought about the future generations. Therefore, all the objectives should be applicable for the future. To ensure this, the leaders like to invest on the employee performance by training and development. This finding supports the research conducted by Shore and Cross (2005). According to Shore and Cross (2005), issues such as preserving environment, providing for future needs, anticipating future contingencies, and inculcating the value of savings are some of the strands echoed in a culture steeped in a long term perspective. Societies like Asian cultures including Indonesia fit in to this category.

### **Discussion of Culture Dimension Impacts on Transformational Leadership Styles of Leaders**

The influence of Power Distance on Transformational Leadership Style is significant in alpha 5%. This means that by increasing the Power Distance, Transformational Leadership Style will increase significantly. The finding is in line with the fact that in the State Islamic University of Maulana Malik Ibrahim, there is big power distance between the leaders and the employees. The existence of power affects on the transformational leadership style practiced by the leaders as one of the factors of transformational leadership is idealized influence where leaders use their power to influence their followers. Similarly, Setiadi (2007) reported that top and middle managers of private and government companies had experience with an authoritarian manager and only a few of them dealt with a participative manager.

On the other hand, the influence of X2 (Individual/Collectivism) to Transformational Leadership Style is not significant in alpha of 5%. Thus, by increasing the Individual/Collectivism, Transformational Leadership Style will not increase significantly. One of the fundamental hallmarks of Indonesian culture is personal relationships. The importance of trust and respect in effective business dealings requires that authentic personal relationships are established and maintained (Smith, 2012). The characteristics of transformational leadership involve connecting the follower's sense of identity and self to the mission and the collective identity of the organization (Burns, 1978).



Similarly, the influence of Masculinity/femininity on Transformational Leadership Style is not significant with alpha 5%. In short, Transformational Leadership Style cannot be influenced significantly by Masculinity/femininity. In addition, Robbins and Timothy (2008) suggest that transformational leadership is the type of leader who directs or motivate their followers in the goals set. Transformational leadership style is a style of leadership that led to the change for the better. This leadership style inspires his followers to put aside personal interests for the sake of realizing common interest (the organization). This, however, does not have any relation with the gender.

However, the influence of Uncertainty Avoidance on Transformational Leadership Style is significant in alpha of 5%. By increasing Uncertainty Avoidance, Transformational Leadership Style will increase significantly. This finding is in line with Bass & Avolio's (1994) transformational leadership factors. Another transformational factor is inspirational motivation. Central to this factor of transformational leadership is the articulation and representation of a vision. If followers have a positive attitude concerning the future as a result of leadership behavior, they will be motivated to perform well. This attitude can also be seen from the leader actions and orientation toward the future.

In addition, the influence of Terms of Orientation on Transformational Leadership Style is significant in alpha of 5%. The leaders' behavior of concerning future orientation is in line with transformational leadership style factor of inspirational motivation which focuses to motivate individual to improve for the better future. The previous study done by Ardichvili and Kuchinke (2002) found that the country with much longer planning horizons results in leadership that shows inspirational motivation. In addition, Robbins and Timothy (2008) suggest that transformational leadership is the type of leader who directs or motivate their followers in the goals set.

In short, the independent variables of cultural dimensions have significant influence on the Transformational Leadership Style simultaneously and partially. From those three affecting cultural dimension variables, the most dominant variable which influences the Transformational Leadership Style is Uncertainty Avoidance because it has the most value of coefficient and t test.

## **CONCLUSION, LIMITATION, AND RECOMMENDATION**

### **Conclusion**

Based on the analysis, the following conclusions are drawn. The leaders in State Islamic University of Maulana Malik Ibrahim hold on the big power distance which causes gaps among the leaders and employees. They also tend to be individualism-based in managing the organization. With the power focus, they possess masculine culture in which more logical reasoning is highlighted. Although they can accept uncertainty of the results, the leaders still focus on the future benefits of every decision they make. It is concluded that the relation between the independent variables Power Distance, Uncertainty Avoidance and Terms of Orientation to the dependent variable Transformational Leadership Style is significant. These three factors significantly influence the practice of the transformational leadership style at State Islamic University of Maulana Malik

Ibrahim. In addition the most dominant variable which influences the Transformational Leadership Style is Uncertainty Avoidance because it has the most value of coefficient and t test. However, Individual/Collectivism and Masculinity/Femininity factors do not have any influence of the implementation of transformational leadership style in this university.

### **Limitation**

Due to the short duration of study, this research could only cover one educational organization which is located in Java island to represent the cultural practice in Indonesia. However, as the diverse cultural ethnics existing in Indonesia, longitudinal study with more varied population taken from different cultural backgrounds in Indonesia will provide wider concept of culturally-linked leadership style practiced in Indonesia.

### **Recommendation**

Based on the limitation of the study, it is suggested that the future research can take more varied sample of data from different ethnic groups in Indonesia to represent the major cultures practiced influencing the leadership style in the working environment. Moreover, profound study on different cultural backgrounds of the leaders will benefit more on the study of cross cultural leadership style. In addition, a profound analysis on impact of each of the pair of cultural dimensions on transformational leadership style can be conducted to present deeper discussion on the relationship between culture dimensions and transformational leadership style. Therefore, it is suggested for the future research use not only cultural dimensions and leadership style, but also motivation.

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