

Culture and Leadership in Eastern Europe

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Introduction

Throughout the world, culture and leadership have many variations that impact how individuals interact with one another. With these cross-cultural interactions comes political risk, such as any political, social, or economic factors that might affect a company's operations (Wade, 2005). Following the collapse of communism, Eastern Europe has led a turbulent journey towards success in the business realm (Suutari & Riusala, 1999). Riddled with political risk after the fall of communism, Eastern European countries have been forced to shift their cultural identity and adapt their leadership styles to succeed in the global marketplace.

Hofstede's Cultural Dimensions

The six cultural dimensions that Hofstede defined in his 1980 book, *Culture's Consequences*, can give insight into how individuals across cultures might interact with one another. Before the fall of communism in 1989, Eastern Europe would be found to have a high uncertainty avoidance level and power distance, and a low individualism level (Suutari & Riusala, 1999). Through the research of House, Hanges, Javidan, Dorfman, and Gupta (2004), the cultural dimensions found in Eastern Europe show that the society still has a high level of uncertainty avoidance, a high power distance level, and varying individualism levels. Although shifts in the cultural dimensions have occurred, Eastern Europe still faces struggles with hierarchy within organizations, transparency of information, and individualism in the workplace (Suutari & Riusala, 1999).

Leadership in Eastern Europe

Before the fall of communism, those in leadership positions throughout Eastern Europe would utilize the autocratic leadership style (Suutari & Riusala, 1999). This type of leadership style can be characterized by centralized decision making with little input from followers

(Brewster & Bennet, 2010). In addition to this, the individuals in leadership roles were often there due to affiliations with the communist party rather than conceptual or technical knowledge; this caused employee resentment towards those in leadership roles, ultimately leading to future uprisings in this region (Suutari & Riusala, 1999; Wade, 2005). Due to the influence that communism held in the business world, the political risk has increased significantly since the fall of communism from the constant changes in political affiliations (Wade, 2005).

Leadership Today. Leadership knowledge and capabilities have been significantly improving over the past thirty years, mainly in part to Western corporations investing in the region and the assimilation into the European Union or eurozone (Brewster & Bennett, 2010). Leaders in Eastern Europe place more emphasis on strategic planning and provide a supportive yet strict environment for their employees (Northouse, 2019). The leadership styles found in this region have also progressed, as it is common to find autonomous leadership within organizations which emphasizes autonomy and independence. However, opportunities for leadership improvement still exist in this region. As the post-communist era continues to progress, leadership traits, and skills in Eastern Europe will continue to develop and catch up with the Western world (Suutari & Riusala, 1999).

Conclusion

Since the Velvet Revolution and the fall of Communism, Eastern Europe has gone through substantial changes, both culturally and through its leadership styles. These changes have allowed Eastern European enterprises a chance at succeeding in the global marketplace through adapting to the western lifestyle and assimilating into the European Union. Changes will continue to occur in this region as the post-communist era progresses; however, the changes

seen over the past thirty years have drastically improved conditions for many throughout Eastern Europe (Suutari & Riusala, 1999).

Resources

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