Power distance has been constructed mostly as a concept highly negative for organizational progress, participation and empowerment of employees and overall organizational health. This construct is also highly correlated with collectivism. This paper examines the compatibility of organizations with high power distance cultural set ups. An attempt is made here to inquire in to whether low power distance can be realized in collectivist cultures or we should look for aspects which can make this high power distance functional and desirable in case of those countries with high collectivism and power distance.

Hofstede (1980) brought forth four cultural dimensions that became the most popular references in cross-cultural studies later. These are individualism/collectivism, power distance, uncertainty avoidance, and masculinity/femininity. Later, he added a fifth dimension, the long term orientation in his thesis (Hofstede 2001). Research on organizational culture and its implication on human resource practices in the organizations have often come heavily on organizations high on power distance. Khatri (2009) through his various propositions concludes that employees in high power distance culture are unwilling to participate in decisions and prefer their superiors making decisions for them and giving them instructions, which they could follow passively. Also, jobs in such contexts are narrowly and tightly specified, giving the employees limited discretion. Communication takes place vertically downwards with no or little horizontal communication and overall communication is anaemic. Power distance renders large communication gap between superiors and their subordinates because it is hard for the subordinates to air their views. Power distance
also gives managers unlimited power and control over subordinates. Employees, in turn, have an unquestioning, submissive attitude. Further, older and senior employees in a high power distance context get respect from junior employees not because of former’s competence but because of age and long tenure in the organization. In a high power distance culture, decisions are made by a few at the top autocratically. And because of little resistance from lower level employees, decisions are made and implemented faster in a high power distance organization. However, because of lack of input from lower level employees as well as poor communication and information sharing, quality of decisions is poorer in a high power distance organization. High power distance organizations are prone to unethical behaviour. This is because top managers have not to justify or defend their decisions to lower level employees or to the larger organization. Unethical behaviour gets covered up or goes undetected. And finally, in a high power distance organization, managers tend to micromanage and even minor decisions go to the top. Thus, higher level managers are inundated with routine decisions. Though Budhwar and Sparrow (2002:618), in their cross cultural comparison view that the British managers associate high power distance to the different positions of senior managers and union influence and the capabilities of the HR function, they also agree that in the case of Indian managers it is more related to misuse of power due to political, caste, group and bureaucratic pressures and ‘power myopia’ which influences their thinking about most HRM practices.

Power distance renders large communication gap between superiors and their subordinates because it is hard for the subordinates to air their views.

A study on Chinese organizations by Farh, Hackett, and Liang (2007) emphasizes similar realities. They find that power distance hinders organizational support to its employees to yield better performance and productivity. Another study on Chinese organizations (Yang et al 2007) indicates adverse moderation of power distance in the relationships between procedural justice climate and individual-level outcomes (organizational commitment and organization-directed citizenship behaviour). Power distance was found to be assuaging the positive effects of procedural justice climate. Allen et al (2008) reported that the explanation of low ability of adoption of social computing tools in organizations like government agencies, defence and security organizations and few manufacturing companies could be provided based on their high power distance scores. They propound these social computing tools within such organizations, or even outside the organization to engage their stakeholders and clients may not be successfully rolled out if their cultures are high on power distance because no one will want to adopt these practices.

2000) indicates that high collectivism, low power distance (low hierarchy) and low uncertainty avoidance favour building a TQM culture (Saha & Hardie 2005, Yen et al 2002, Chin & Pun 2002, Tata & Prasad 1998). Langrosen (2002) found that low power distance offers the tendency to focus on individual workers and emphasised on the training of workers to bring a sense of responsibility within the workers. Power distance impedes employee empowerment and undifferentiated statuses which are key features to help employees use their own judgement and intelligence in taking decisions (Chin & Pun 2002, Tata & Prasad 1998).

**Power Distance & Collectivist Cultures**

Is power distance really bad? If yes, can we bring a transformation of high power distance cultures to lower ones? Unfortunately researches conducted so far do not bring very positive indications. There are ample empirical evidences to show that power distance is deep rooted in collectivist cultures. The indices of individualism-collectivism and power distance are significantly correlated (–0.67) in Hofstede’s (1980, 1984) studies, and a graphical plot of these data shows that individualism is associated with lower power distance while collectivism is associated with high power distance. So much so, Hofstede’s decision to separate individualism-collectivism and power distance has attracted scrutiny (Bond 1996, Erez & Early 1993). Bond (1996), in particular, notes that other theorists (e.g. Triandis *et al.* 1988) associate collectivism with hierarchy, and further argues “…had Hofstede not split Power Distance and Individualism, it might have reduced the tendency to reify these constructs as separate and had simplified our search for external correlates of the unified concept” (1994:13). Support for his view that the concepts “represent one empirical reality” is found in Bond’s (1996) empirical comparison of data from three different data samples: Chinese Culture Connection (1987), Hofstede (1980) and Schwartz (1994). This analysis identified a single factor that included both individualism (0.86) and power distance (–0.76). While countries like Israel and Costa Rica have both high collectivism and low power distance, they are cited mainly as exceptions by Hofstede (1984, 1985).

There are ample empirical evidences to show that power distance is deep rooted in collectivist cultures.

Can we explore the possibility of having functional power distance in such collectivist cultures? Do we have cases where power distance has rather played positive role in organizational contexts? Before moving to this inquiry, a conceptual understanding of power distance should help. Power distance, as a concept, was coined originally in the works of Dutch social psychologist Mauk Mulder (Mulder *et al.* 1971, Mulder 1976, Mulder 1977), who fielded laboratory experiments with simple social structures and observed this phenomenon. According to Mulder (1977:90), power “is the potential to determine or direct (to a cer-
tain extent) the behavior of another person or other persons more so than the other way round...” and power distance “is the degree of inequality in power between a less powerful individual (I) and a more powerful other (O) in which I and O belong to the same (loosely or tightly knit) social system.” However, power distance today is associated most popularly with the cultural dimensions of Hofstede (1980, 1984, 2001). Hofstede (2001:83) defines power distance “as a measure of the interpersonal power or influence between the boss and subordinate as perceived by the less powerful of the two”. A practical operationalization of low power is given by Mead (1998:36): “(When power distance is low) managers see themselves as practical and systematic and they admit a need for support. They are likely to consult the subordinates while making decisions. Subordinates dislike close supervision and prefer a participative superior, and are relatively unafraid of disagreeing with him/her. They find it easier to cooperate with each other and interdependence is emphasized. Where power distance is high, opposite conditions are found. Employees manage their work according to what the manager wants, or what they intuit s/he wants. Managers show relatively little consideration but like to see themselves as benevolent decision makers (ibid:37).

Whether power distance is functional or dysfunctional continues to remain a debate unless it is evaluated with the context. Though we say that Japanese society is less power distanced than India, it is actually more compared to USA (Hofstede 2001:87). Japan has a hierarchically structured society with strong boss-subordinate relationship similar to India. However, this power distance is driven by affectivity instead of affective neutrality. Therefore, Sinha (1995:100) talks about dependence proneness in India similar to amae of Japanese culture and in the lines of affective reciprocity between parent-child (oyabun- kabun) relationship and as a hierarchical symbiotic relationship (“tate- sakai”- a Japanese society structured vertically) in Japan (Nakane 1972:42,xi). The basic ethos of Asian culture which is shared by both Japan and India is the prominence of family based relationships where the individual goals, rights and objectives do not supersede the interpersonal ties and functional structure of organizational relationships. Though hierarchy is profound, but on the top of this hierarchy exists a benevolent and nurturing father-kind-of leader who ensures collective welfare and development of employees. However, this support and nurturance also makes an implicit demand of commitment and loyalty which is unquestionably offered by the employees (Maccoby 1994). But there are differences too. In Japan, when a new employee starts working in an organization, they would probably never think of competing with their seniors in the organization. Their tendencies towards moving for personal goals are stopped by the reverence and gratitude towards their seniors. This could be a reason why the superior-subordinate relations are harmonious with least conflict in Japanese organizations (Khare 1999). On the contrary, power distance in India cannot be
Indian form of power distance promotes autocratic and hierarchical decision making (Sinha & Tripathi 1994, Lachman, Nedd & Hinings 1995). Budhwar et al (1997:490) are quite correct in associating lowest instances of organizations under their study offering training on delegation to sufficient number of their employees, against other training areas like performance appraisal, motivation, team building and communication, with high power distance in those organizational set-ups. So, if power distance is really bad taking into consideration the earlier thesis, how it assumes a functional role in one culture and dysfunctional in another? To answer this, we make an inquiry to figure out ways by which the power distance becomes functional in organizational contexts. Does a collectivist culture have some inherent strength that can foster functional high power distance orientation? We accept that inequity in boss-subordinate relationship leads to behaviour driven by authoritarian ruler mindset and inhibits free and spontaneous communication between them. But the conceptual framework of power given by Hersey et al (2002:210) in the form of reward power, legitimate power, connection power, referent power, information power and expert power gives us possibility to explore how the coercive and status driven power can be subdued using the alternate ways of power. Technical education is a powerful tool to acquire expert power over the traditional education that signals social status (Mead 1997:36).

Functional Aspects of Power Distance

Thus, a high power distance is not always dysfunctional and organizations can imbibe the positive ingredients of high power distance in a col-
lectivistic culture. If the employees are ready to accept the power equations since they feel that it can reduce chaos and sense of directionlessness, we need not look for western models. Researches indicate that high power distance play functional roles in oriental cultures. Pasa (2000:418-19) talks about the functional aspects of power distance in the collectivist culture of Turkey and finds that i) granted authority with relationship component, ii) sharing of responsibility, iii) rationalizing and involving, and iv) social exchange incorporate 48% frequency in ways of influencing the targets by their superiors in a high power distance culture. Thus, the superior enjoying a granted authority not only gives information about the task, but also places trust on his subordinate as a relationship component. While sharing the responsibility, the superior tries to influence the reportee by making him free of the worries associated if things go wrong by taking responsibility of such occurrence. Assurances like “trust me on this”, “you just do it and leave the rest to me”, “do what I say and I take the responsibility” reflect such sharing of responsibilities. By using “rationalizing and involving” mechanisms, leaders involve the target by rational persuasion, factual data and observations and logical arguments to make them realize the gravity and importance of their involvement.

By using “rationalizing and involving” mechanisms, leaders involve the target by rational persuasion, factual data and observations and logical arguments to make them realize the gravity and importance of their involvement.

Gender aspects give another dimension to power distance. A comparison of USA and Japan brings this aspect. Hofstede’s (2001:87) country scores of power distance for USA and Japan stand as 40 and 54 respectively. This difference is also substantiated in studies conducted by Stedham and Yamamura (2004:241) who report these scores as 32 and 36 in their sample analysis. But the scores of women in these two countries were found to be 26.2 and 14. The gender difference in power distance is, thus, more in Japan compared to USA, which is based on more gender based inequality in Japan (Tipton 2000), which is explained as: “Although women have made great progress in obtaining higher-level educational credentials and entering the business world, many obstacles toward equality continue to exist. Perhaps this situation has enabled women to recognise both level of PDI that exists and to believe that it should be minimised or eliminated. Given equal credentials, why should one group have greater power than another group?”(Stedham & Yamamura:240).

On the other hand, laws for gender equality in USA have already been enacted and followed for a long duration and there are institutional ways of retreat-
ing against unfair means employed towards discrimination and harassment of females in society and workplaces. Thus, already enjoying sufficient gender equality in a low power distance country like USA, females do not perceive the extent of power distance as different from men as experienced by their counterparts in Japan where gender inequality exists (Stedham & Yamamura 2004:241). Thus, a male dominated culture may exhibit high power distance characteristics per se, but the same may be subjected to checks and balances by the beliefs and efforts towards equality of power by females in such a society just the way a treasury bench in parliament is challenged by a powerful opposition.

Empowerment of employees is considered an important dimension for delivery of better services by the organization in many studies (Wells et al 2010, Cappeli et al 2010, Mark et al 2009). However, empowerment of employees has not been favoured for high power distance cultures as the performance of individuals when empowered is found lower than when disempowered (Eylon, et al 1999). However, a study made on Chinese hotel industry (Humborstad et al 2008) that examined the relationship between empowerment and willingness to deliver quality service in traditionally high power distance culture found that perceived supervisor and organizational support, and performance based rewards and training allow empowerment to lead to higher willingness to deliver quality service among Chinese service personnel. Thus, moderating effect created by these variables can help empowerment to enable higher willingness towards service delivery in a traditional high power distance culture.

**When power distance is because of the functional authority and not the positional authority of the individual, the source of power rests with the achievements and skills of the individual.**

When power distance is because of the functional authority and not the positional authority of the individual, the source of power rests with the achievements and skills of the individual. This offers an alternate power distance which is functional and devoid of legal-rational hierarchy. When the personal bases form the sources of power, the power laden structure facilitates learning. The most prominent source of such power preferred in the traditional Indian culture is the guru-shishya (teacher-student) relationship wherein teachers are seen as a source of leadership (Sekhar 2001:361). Even though a traditional guru-shishya relationship is characterized by hierarchy, it bears the element of reverence for the teacher who encourages the student to ask as much as possible. This promotes discussion which in turn promotes learning. Thus, hierarchy is just a character of relationship. Its functionality is determined by how it is operationalized and affecting the relationship. As discussed earlier in the paper, if hierarchy is due to personal bases of power like expert power leading to functional authority, it is more likely to promote learning and develop functional abilities. Studies also
indicate that authority if based on functional power, skills and expertise lead to better organizational learning (Follett & Mary 1954).

The learning culture fostered by the expert, referent and information power relationship can also help mitigate the cross cultural barriers between bosses and subordinates when expectations do not meet manifestations. Every collectivist culture has its own flavour, and the perceived behaviour may not match the reality. Schermerhorn and Bond (1997:189) talk about the case of an expatriate American manager who joined a Malaysian firm expecting the highly collectivist power distanced subordinates to be team oriented, interactive, respectful and responsive. However, the manifested culture was conforming, reserved and had tendencies towards in-group agreement and group thinking.

**Vertical Collectivism**

This combination of collectivism and high power distance is referred as vertical collectivism and can be defined as a culture within which one perceives the self as part of a group while accepting of power/status inequalities within the group (Singelis et al 1995). Vertical collectivism which is present in India accepts power relationships based on authority but also seeks imaginative and transformational leadership. Needless to say that is why we have so many instances of Weberian charismatic leaderships in oriental countries including India who incorporated such ingredients in the high power distance relationship that addressed the culture mindsets of common man. What could be such ingredients? Bass (1990) talks about “individualized consideration” as one of the factors of transformational leadership. Kumar and Sankaran (2007:183) consider it operationally similar to personalized relationships in the case of India. The similarity is manifested in the view that in such one to one relationship between the boss and subordinate – the boss treats the subordinate as a distinct individual with their distinct set of needs and aspirations. The difference between the two lies in the fact that “personalized relationship” makes the Indian boss give disproportionate reward to their favourite subordinates to the exclusion of others, while “individualized consideration”, makes the boss relate with the subordinates on an equitable basis. Thus the need for a functional personalized relationship in a collectivist and high power distanced culture can be met by rendering individualized consideration.

**Indices of Individualism**

Indeed, the indices of individualism and power distance are significantly correlated (–0.67) and most collectivist cultures are also high in power distance, this is not always the case, as for example- Israel and Costa Rica (Hofstede 1984, 1985). Thus, it would be interesting to compare two collectivist cultures-Japan and Israel which are poles apart in their power distance orientation, and yet are collectivists. Goodwin (1999:127), finds that in Japan, children are strongly bonded to their families, with a Japanese mother keen to harmonize her needs with
those of her child. Japanese children are constantly in contact with their mothers and are rarely left alone. Young Japanese are often carried on their mother’s back and there is constant non-verbal interaction between them. In contrast, Israeli parents promote a greater sense of early independence and self-sufficiency in their children. As a result, an Israeli mother may encourage the child’s ability to be alone as an example of his/her emotional independence, while a Japanese mother may value the child’s development in social relationships. Interestingly, the same behaviours by the child may be differently interpreted in different cultures. The child who dresses her/himself is seen by an Israeli mother as demonstrating instrumental independence, while a Japanese mother may see the same as the child’s obedience (ibid).

Translating such effects to the workplace scenarios, organizations must decide which form of relation is best suited for them—nurturing or self-efficacy based? Organizations can judge best based on their values, ways of life and experiences with the employees. But looking from the perspective of an important dimension—team work, team members with a high power distance pay more attention to people’s position in the organization and consider this factor while receiving ideas. At the same time, they are more convinced with the authority arguments and respect ideas that come from people at higher levels (Laroche 2003:107). Thus, when ideas from people at the same levels may not be received well by the peers, it may lead to conflict in interpersonal relationship and adversely affect the interdependence in such relationships. This clearly shows the lack of self efficacy to accept the expert and informational power in equal relationships and search for unequal power relationships to justify the acceptance. This thesis brings us closer to the nurturing effect of leaders in power distance relationship since it has the element of positional authority as in case of mother-child relationship in Japan.

Nurturance in high power distance set ups in the form of benevolent paternalism is highest in Japan followed by India signifying their cultural tilt towards each other.

Substantiating further, Sinha (1995:117) illustrates that nurturance in high power distance set ups in the form of benevolent paternalism is highest in Japan followed by India signifying their cultural tilt towards each other. Self efficacy-based relationships can be compared with the fraternal relationship of western countries which promote individuality, people orientation and equality between members and leaders.

Conclusion

We looked into the issue of high power distance in collectivist cultures and was conducting an inquiry whether a low or functional power distance would be suitable for such organizations to foster the best HR practices. The paper mainly contends the fact that high power distance relationships need not be authoritarian leaderships based always which,
as per a study by Habibullah and Sinha (1980), is strongly related to power distance, discipline, task orientation, role performance and direction and inversely related to guidance and encouragement. High power distance can also lead to leader-centred nurturance which is positively related to friendly orientation, guidance, encouragement and task orientation. We argue that authority based power must give way to functional, expert, referent & information bases of power to have individualized considerations and nurturing benevolent paternalism in high power distance cultural set ups. Instead of following individual oriented values, if familial and cultural values such as affection, dependence and personalized relationships are given precedence, a structured task direction can be effectively established in such organizations (Budhwar & Debrah 2001:81). The cases and studies on Japan, Turkey and Malaysia and China also indicate that even a collectivist culture can demonstrate a functional power distance. This way organizations can benefit both from collectivist orientation and power distance of their cultural set ups.

References


Chinese Culture Connection (1987), “Chinese Values and the Search for Culture-free Di-
dimensions of Culture”, *Journal of Cross-Cultural Psychology*, 18:143-64


Goodwin, Robin (1999), Personal Relationships Across Cultures. Routledge, UK


