Leadership in Culturally Heterogeneous Team Contexts

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The globalization of professional sports leagues has highlighted an important challenge facing the leaders of these leagues: managing for cultural diversity. Prior research suggests that leaders’ ability to successfully manage employees in culturally diverse contexts is critical to organizational success. Recent work has highlighted the role of cultural differences, international experience, and assortative matching between managers and their supervisors on team performance (Kahane, Longley, & Simmons, 2013; Peeters, Mills, Pennings, & Sung, 2019; Szymanski, Fitzsimmons, & Danis, 2019; Peeters, Salaga, & Juravich, 2018).

Thus, leadership qualities are likely to play an important role in the productivity and performance of employees and teams (Lonati, 2019). More specifically, Szymanski et al. (2019) found that managers with multicultural backgrounds had more success when coaching national soccer teams. Similarly, Peeters et al. (2019) found that while cultural differences between managers and players can inhibit team performance, international coaching experience mitigated negative effects of cultural differences. While researchers have investigated the effects of top individual managers, shared global leadership and coordination of managerial teams has not been as well-explored, despite its likely heightened importance in the face of team heterogeneity (Peace & Conger, 2003). Indeed, as teams become more diverse, it is unlikely that a solitary manager will provide the entirety of the necessary leadership required to advance performance. Therefore, we seek to extend the literature on managerial efficiency and cultural heterogeneity to the construction of managerial teams.

We place our inquiry in the context of English football, and assess the effects of diversity in makeup of managerial teams (coaches and assistant coaches) in the English Premier League, which employs athletes from 64 different nations. To test the role of managerial makeup on team performance, we employ frontier analysis to estimate the performance frontier – measured with an Elo score (Peeters et al., 2019) – given the estimated level of talent from Transfmarkt (Peeters, 2018), and use the remaining error term as variance to be explained by leadership qualities (Barros & Leach, 2005, 2007; Garcia-Sanchez, 2007; Peeters et al., 2019, 2018; Tiedmann, Francksen, & Latacz-Lohmann, 2011). We identify performance effects of changes to heterogeneity in managerial teams, conditional on player cultural heterogeneity. We measure cultural heterogeneity through an average cultural distance score using the nationality of each of the managerial team members and players, adapted from Hofstede (2001). The use of managerial-team-level heterogeneity, rather than individual managers, marks an advance from prior literature investigating the role of only the solitary manager of a team.

Our study has important implications for sport managers in the shifting global marketplace. With the nature of work fundamentally changing, effective global leadership development programs must be developed and offered to serve cross-cultural leaders and teams. Recognizing leadership is more malleable than cultural values and leadership styles differ in effectiveness across countries and cultures (Hanges, Aiken, Park, & Su, 2016), global leaders have to be able to share a vision, lead a functioning team in a globalized society with ever-changing technological and competitive advancements.