Comparability of leadership constructs from the Malaysian and Pakistani perspectives

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Abstract

Purpose – The purpose of this paper is to compare the applicability of transformational leadership and substitutes-for-leadership theories in Malaysia's and Pakistan's work settings.
Design/methodology/approach – This study employed a survey-based approach using professional employees in both countries as respondents. In total, 215 responses to a web-based survey in Malaysia and 523 responses to a survey administered using personal methods in Pakistan were used for the analysis.
Findings – The results revealed that Malaysia's leaders were rated high on the dimensions of transformational and transactional leadership. The transformational leadership dimensions produced desirable effects on subordinates' outcomes in both samples, but the contingent punishment dimension of transactional leadership produced especially undesirable effects on subordinates' outcomes. Substitutes for leadership also independently affected subordinates' outcomes and produced similar effects on subordinates' outcomes in both samples. In general, the effects in the Malaysian sample are larger than those in the Pakistani sample.
Research limitations/implications – The results suggest that the transformational leadership style is effective in both cultures, but the transactional leadership style is culturally contingent. While leaders in collectivist cultures like Malaysia and Pakistan should practice more transformational leadership than transactional leadership, leaders in Pakistan should be particularly careful while practicing transactional leadership because of the society's high level of collectivism and moderately high-power distance orientation.
Practical implications – The results suggest that the transformational leadership style is effective in both cultures, but the transactional leadership style is culturally contingent. While leaders in collectivist cultures like Malaysia and Pakistan should practice more transformational leadership than transactional leadership, leaders in Pakistan should be particularly careful while practicing transactional leadership because of the society's low power distance orientation.
Originality/value – Since this study is the first to compare the applicability of western theories in collectivist cultures that differ significantly in their power distance orientation, it contributes meaningfully to the cross-culture leadership field.

Keywords Transactional leadership, Transformational leadership, Cross-culture, Substitutes for leadership, Malaysia and Pakistan, Subordinates' outcomes

Paper type Research paper

1. Introduction

Research has revealed that managers' leadership styles and organizational work practices vary based on the cultures in which they are practiced and have varying effects on employees' work outcomes (Hong *et al.*, 2016). Accordingly, the present study seeks to

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determine whether cultural boundary conditions influence the relationships of leadership styles, task structures and organizational functions with employees' work outcomes in Malaysia and Pakistan.

The current study incorporates two dominant leadership theories, transformational leadership and substitutes for leadership in a comparative empirical analysis in Malaysia and Pakistan. In order to contribute to the cross-cultural leadership field and determine leadership effectiveness in these two multi-cultural environments, this study compares the leadership practices of managers in Malaysia and Pakistan, and also tests the direct effects of two leadership styles (transformational and transactional) and substitutes for leadership on subordinates' work outcomes in Malaysia and Pakistan.

Transformational leadership theory tends to assume that transformational and transactional leadership styles are universally applicable because of their adaptability to multiple cultures (Avolio and Bass, 2004). The substitutes-for-leadership theory focuses on the characteristics of subordinates, tasks and organizations thereby representing the dimensions of employee self-management (Kerr and Jermier, 1978). Researchers argued that to a certain extent, substitutes-for-leadership factors are also dependent on culture (Dorfman *et al.*, 1997). Both leadership theories have been developed and tested primarily in western contexts that represent individualistic societies, where effective leadership is defined as leadership that improves financial results (Jogulu, 2010). Avolio *et al.* (2009) called for research on leadership in cultures that are underrepresented in the literature.

The Asian collectivist societies, where leadership is viewed as relationship oriented, are equally conducive for studying leadership practices to determine whether the leadership practices primarily developed in individualistic culture apply to collectivist culture. Despite the growing interest in the cross-cultural leadership field, few studies have used the transformational leadership theory in the Malaysian context. Only one cross-cultural study (Jogulu, 2010) has compared Australian and Malaysian managers' transformational and transactional leadership styles, but it did not determine the effects of these leadership styles on subordinates' outcomes. To our knowledge, no leadership study has incorporated substitutes-for-leadership and transformational leadership theories in the contexts of Malaysia and Pakistan.

This study significantly contributes to the existing literature in several ways. First, western countries are the leading knowledge economies in the world, and theories developed in those countries are widely acknowledged in both developed and developing countries and used to generate new knowledge. However, applying these theories without considering the cultural boundaries of the local context may lead to ineffective management practices. The researchers use transformational leadership and substitutes-for-leadership theories in culturally linked environments and employ a comparative empirical analysis to contribute to the cross-cultural leadership literature. Second, although the Malaysian and Pakistani societies are collectivist societies, they differ significantly in terms of other cultural dimensions, such as power distance and uncertainty avoidance, and have different work values. The differing cultural beliefs and values of the two nationalities makes it important for the Malaysian organizations that employ Pakistani expatriates to understand how leadership practices are culturally linked. This study will also be helpful for Pakistani expatriates in Malaysia to understand Malaysian working practices. Third, in response to Avolio *et al.* (2009) call for research on leadership in countries underrepresented in literature, Pakistan and Malaysia – having been under-explored – this study bridges this gap by defining and testing the leadership and related concepts in Malaysia and Pakistan.

The paper is organized as follows. The next section presents a brief description of historical and cultural aspects of Malaysia and Pakistan. An overview of theoretical perspectives with regard to transformational leadership and substitutes-for-leadership theories in the culturally linked environments of Malaysia and Pakistan follows. Then the

samples' characteristics, data collection procedure and measures of the variables under study are discussed. Next, empirical results of the study are presented, and the study concludes with a discussion and implications of results.

1.1 Historical and cultural aspects of Malaysia

Malaysia is a multi-cultural country with a diverse population of 30.52 million, comprised of 61.9 percent Malay and indigenous people, 22.6 percent Chinese people, 6.7 percent Indian people and 8.9 percent others (Central Intelligence Agency, 2015a). Around 450 years of foreign colonization under various regimes followed the kingdom era: the Portuguese colonized the country in the sixteenth century, the Dutch colonized it in the middle of the seventeenth century and British followed in the late eighteenth century. Prior to the British colonization, Malaysia was predominantly a Malay state, but the British colonization brought in a major influx of Chinese immigrants after the 1820s, when they came as traders, shopkeepers, planters and miners. Indian immigrants, too, came in at this time, brought through the "Kangany" system of indentured labor for rubber plantations in Malaysia (Rashid and Ho, 2003). During the Second World War, the Japanese occupied Malaysia for more than three years, and the country finally gained independence in 1957. Since then, Malaysia has been a constitutional monarchy, headed by a king, whose function is mainly ceremonial, and a prime minister.

Although Malaysia is a multi-cultural and multi-racial country, Malaysian scholars suggest that the three main ethnic groups – Malay, Chinese and Indian – do not differ significantly in terms of Hofstede's cultural dimensions and work-related values (Ansari *et al.*, 2004). Hofstede ranked Malaysia highest (104) on power distance of 50 countries sample in his study, which indicates that relationships are hierarchically arranged, where everybody has a place. This hierarchical approach is reflected in organizations, where seniors are respected and obeyed as the makers of decisions that subordinates are obliged to implement (Ansari *et al.*, 2004). For their part, the seniors are obliged to provide patronage – that is, to protect and guide the subordinates – which fosters the subordinates' dependence on their leaders. Malaysia scores low in individualism (26), which indicates that Malaysia is a collectivist society that fosters strong relationships, where every member of a group takes responsibility for other group members. Therefore, Malaysian employees tend to embrace a "group sense," a sense of organizational belonging and attachment (Jogulu, 2010); they give priority to group interests, maintain harmony and derive satisfaction from being respected by their colleagues (Lim, 2001). On uncertainty avoidance, Malaysia's score is 36, which indicates that Malaysia's society is not overly concerned with avoiding uncertainty. In such societies, people believe there should be no more rules than necessary, prefer flexible work schedules, and easily tolerate deviance from the norm. Long break hours in Malaysia, slowness and poor performance are easily tolerated with *tidakapa* ("never-mind attitude"). On long-term orientation, Malaysia scores 41, which indicates that Malaysia is a normative society in which people prefer to maintain time-honored traditions and view any societal change suspiciously. In short, Malaysians prefer hierarchy in work groups but flexibility in their approach to work, build relationships with and take responsibility for others in their groups, and respect tradition (Ansari *et al.*, 2004).

1.2 Historical and cultural aspects of Pakistan

The areas that make up present-day Pakistan were the core regions of the ancient Indus Valley Civilization under the leadership of a priest-king. In the subsequent few centuries, the land of Indus saw the emergence of Buddhism, Jainism and Zoroastrianism, until Hinduism underwent another revival at the beginning of the Christian era. Islam entered South Asia during the seventh and eighth centuries. The establishment of dynastic Muslim political rule during the medieval period under a sultanate in Delhi and the development of a blended Indo-Muslim culture strengthened the Muslim presence in the eastern and western

regions that make up today's Pakistan and Bangladesh (Malik, 2006). The sultanate remained under the Great Mughal Dynasty from 1526 until 1857, when the British colonized the subcontinent under a British Raj. After the dissolution of the British Raj, the predominantly Muslim majority areas were established in 1947 as East Pakistan and West Pakistan, and in 1971 East Pakistan became Bangladesh and West Pakistan became Pakistan. Today, Pakistan has a population of 190.90 million, of which 44 percent are Punjabis, 15.42 percent are Pashtuns, 14.1 percent are Sindhis, 8.3 percent are Seraikis, 7.57 percent are Muhajirs and 3.57 percent are Balochis (Central Intelligence Agency, 2015b). Politically, Pakistan is a federation with five provinces and some federally administered tribal areas. The country is run under a parliamentary system headed by an elected prime minister.

On Hofstede's cultural dimensions, Pakistan scores 55 on power distance, which is moderately high and indicates the acceptability of hierarchy and top-down structure in society and organizations (Islam, 2004). In Pakistani organizations, titles, ranks and status carry a lot of weight and subordinates show a great deal of respect for those in authority.

Pakistan scores 14 on the individualism index, which is even lower than Malaysia's score (26), so Pakistan is a highly collectivist society. Pakistani society is more threatened by collectivism's negative aspects than empowered by its positive ones. People's strong loyalty to their groups, families and castes has resulted in rampant corruption, nepotism, favoritism and other undue advantage to group members, which have damaged organizations and eroded commitment to organizational goals (Islam, 2004). Pakistan scores 70 on uncertainty avoidance, which is higher than Malaysia's score of 36. People in high uncertainty avoidance societies usually maintain rigid codes of beliefs and behavior and are intolerant of deviance. They may resist innovation, as security is an important element in individual motivation (Dickson *et al.*, 2003). Because people in Pakistan maintain rigid beliefs, the society is divided into two main categories, extremists and liberals, who sit at the opposite ends of a continuum of beliefs about how society should operate. Generally, Pakistan's work values lack emphasis on motivating individuals to work hard and lack of clarity of purpose (Tayyab and Tariq, 2001).

On long-term orientation, Pakistan scores 50, which is higher than Malaysia's score of 41. During the last two decades, there has been a gradual shift in Pakistani society as its people struggle to align themselves with global standards and strive for modern education in order to prepare for the future.

1.3 Comparing Malaysia and Pakistan

The comparative analysis of Malaysia and Pakistan is significant for several reasons. Malaysia, as a multi-ethnic and multi-racial state, has been a preferred destination for foreigners. In fact, The World Bank (2012) now ranks communally peaceful and ethnically harmonious Malaysia among upper-middle-income countries. Malaysia is a newly industrialized and highly open economy (The World Bank, 2016). Malaysia is one of the 13 countries globally witnessing average growth of more than 7 percent annually for consecutive 25 years or more and hopes to achieve developed country status by 2020 (World Economic Forum, 2016). Malaysia has inclusive growth and well-diversified economy and its long-term economic outlook remains broadly favorable (The World Bank, 2016).

Although Pakistan is also a multi-ethnic and multi-cultural state, it faces ethnic and ideological problems that have triggered economic turmoil and political instability. Growth in Pakistan's domestic product dropped from 6.2 percent in 2006 to 2.7 percent in 2011. The low-growth trend persisted for six years, worsening from 2008 to 2011, when the GDP growth rate stayed below 3 percent for four consecutive years. Foreign direct investment (FDI) dried up, its volume nose-diving from $5.44 billion in 2008 to $0.66 billion in 2012.

Malaysia is a showcase of natural and cultural diversity and has special significance for Pakistan. Pakistan can learn a lesson from Malaysia's economic success and ethnic harmony.

The two countries bear striking similarities, including being former colonies of the British Empire, having Islam as the leading religion, being parliamentary democracies with semi-authoritarian styles of governance, and assigning the resolution of ethnic issues as a fundamental role of the state (The DAWN, 2003).

Malaysia's economic pre-eminence facilitates its business environment and, consequently, substantial inflows of FDI. Malaysia is ranked among the top 20 investment destinations in the world (Global Opportunity Index, 2011). FDI inflow into Malaysia soared to US$12,115 million in 2013, from US$1,453 in 2009 according to the World Investment Report (2015). Malaysia ranks sixth in ease of doing business among 189 economies surveyed by The World Bank (2014) and is the top 10 in Forbes' world's friendliest countries' list, based on a survey of expatriates (*Forbes*, 2012).

Malaysia has been rated among the top five most satisfying places to work, as 55 percent of workers from other countries found their work more fulfilling after relocating in Malaysia (MIDA, 2015). Malaysia's government immigration program, "Malaysia, My Second Home" (MM2H), significantly helped Malaysia to attract financially independent foreigners. By the end of 2012, 20,430 participants in the program had chosen Malaysia as a second home (Ministry of Tourism Malaysia, 2016). Many skilled Pakistani laborers have moved to Malaysia, seeking better careers, as according to an ILO report, Pakistanis are the third most frequent foreign laborers in Malaysia (International Labour Organization, 2015). According to a 2016 report from the Ministry of Tourism Malaysia, Pakistanis are the sixth-highest number of people participating in MM2H. The Consul General for Malaysia disclosed that Pakistanis had transferred Rs180 billion to Malaysia under this program (The DAWN, 2011). Thus, the long-shared history of the two countries and the commonality of their socio-economic pursuits suggest that comparing Pakistan with Malaysia is appropriate.

2. Transformational leadership theory: a culturally linked perspective

Transformational leadership assumes greater significance in emerging economies than in established ones (Ghasabeh *et al.*, 2015). De Kock and Slabbert (2003) identified some essential roles of transformational leadership in these markets, such as developing a shared vision, empowering employees and promoting innovation. Blanchard and Waghorn (1999) posited that long-term performance in transitional economies is highly dependent on continuous learning, which transformational leaders can help to ensure. These transformational leadership practices have become imperative for companies that operate in global markets, so transformational leadership has become highly relevant to growth, particularly in emerging economies (Ghasabeh *et al.*, 2015).

Contemporary leadership research has focused on the exploration of behaviors that constitute transformational leadership. After reviewing the biographies of several political leaders, Burns (1978) concluded that a leader could be either transformational or transactional. Transformational leaders formulate a future vision, show consideration toward followers, develop their followers' intellectual level, foster collaboration among members to achieve group targets and lead by example (Avolio and Bass, 2004). In contrast, transactional leaders lead by adhering to organizational rules and regulations, exercising power, authority and control by rewarding or disciplining followers in pursuit of organizational goals (Jogulu, 2010). Such leaders define performance standards and link the rewards with followers' performance; rewards are given to subordinates if they attain acceptable performance standards, and they are punished for poor performance. Later, Bass (1985) refined Burn's (1978) concept by asserting that transformational and transactional leadership are not mutually exclusive but that they build on each other.

Bass (1985) identified four facets of transformational leadership: idealized influence, inspirational motivation, intellectual stimulation and individualized consideration, constructing from these four facets the Multifactor Leadership Questionnaire (MLQ).

However, researchers who used this scale reported that it has psychometric shortcomings that result in a high level of inter-correlation among the sub-dimensions of transformational and transactional leadership styles, which may hinder the ability to separate the effects of the sub-dimensions of transformational and transactional leadership behaviors (Schriesheim *et al.*, 2009; Tejeda *et al.*, 2001). Therefore, Podsakoff and associates redefined the transformational and transactional leadership constructs, proposing articulating a vision, fostering the acceptance of group goals, providing an appropriate model to follow, intellectual stimulation and individualized support as the sub-dimensions of transformational leadership (Podsakoff *et al.*, 1990) and contingent reward and contingent punishment as the sub-dimensions of transactional leadership (Podsakoff *et al.*, 1984).

Articulating a vision is similar to Bass's (1985) idealized influence, as it reflects the leader's ability to identify new opportunities for the organization, to formulate a compelling vision and to inspire others with the vision (Podsakoff *et al.*, 1990). Fostering the acceptance of group goals is a new addition to the facets of transformational leadership that refers to the behaviors of transformational leadership that promote harmony among subordinates and get them to work together on a common goal (Podsakoff *et al.*, 1990). Intellectual stimulation reflects the leader's ability to reinforce followers' ability to think about new and innovative ideas (Podsakoff *et al.*, 1996). Individualized support is similar to Bass's (1985) individualized consideration dimension, in that it represents the transformational leader's ability to treat every individual as unique, to respect every individual and to be considerate of individuals' feelings (Podsakoff *et al.*, 1990). Providing an appropriate model refers to the transformational leader's ability to lead followers by example by showing consistency in words and actions (Podsakoff *et al.*, 1990). Transactional leadership's contingent reward behaviors refer to administering rewards among subordinates contingent on an acceptable level of performance, while contingent punishment refers to administering reprimands and disapproval when subordinates' performance is below the acceptable standard (Podsakoff *et al.*, 1984).

To measure the transformational leadership behaviors, Podsakoff *et al.* (1990) developed the Transformational Leadership Inventory (TLI), and to measure transactional leadership behaviors, Podsakoff *et al.* (1984) constructed the Leader Reward and Punishment Questionnaire (LRPQ). These measures have shown good factor structures and reliability (Podsakoff *et al.*, 1996; Rafferty and Griffin, 2004; Schriesheim *et al.*, 2009).

2.1 Leadership in Malaysia

Leadership conception in Malaysia is rooted in communal living in old days and *budi* syetm in modern days (Ramli, 2013). In the high-power distant and collectivist society of Malaysia, relationships are hierarchically arranged, with leaders having a highly paternalistic attitude toward their subordinates. However, since helping and caring for subordinates and being involved in their lives is expected of managers in Malaysia, they also emphasize group harmony and collective responsibility, and the tendency toward collective decision making in Malaysia's organizations is well noted (Ansari *et al.*, 2004). Researchers asserted that transformational leadership is more likely to be valued in a collectivist society because subordinates identify themselves with transformational leaders and are drawn toward them (Dickson *et al.*, 2003). Transformational leadership behaviors are consistent with communal traits like promoting teamwork, developing subordinates' skills and supporting efforts toward accomplishing organizational goals (Jogulu, 2010). Since followers tend to respond to leaders who care for their followers promote group harmony and maintain conflict-free-interpersonal relationships (Dorfman *et al.*, 1997), it is anticipated that transformational leadership behaviors have considerable impact in Malaysia.

Transactional leaders administer rewards and punishment among subordinates, contingent upon their performance (Podsakoff *et al.*, 1984). Since the managers in Malaysia

promote harmony, the emphasis must be on collective achievement, rather than individual achievement, and this approach belies the effectiveness of administering rewards and punishment individually. However, the contingent reward scale used in this study measures only social rewards, such as compliments and recognition; since this kind of social remuneration may not impede harmony as much as tangible or monetary rewards would, this type of contingent reward is likely to be preferred in a collectivist society (Kirkman and Shapiro, 2000). On the other hand, delivering negative feedback or conveying bad news may undermine harmonious relationships (Dorfman *et al.*, 1997), and because of high-power distance, contingent punishment may not be openly questioned or challenged.

2.2 Leadership in Pakistan

In Pakistan, the conception of leadership is substantially influenced by the clan, tribal and familial system, which emphasizes hierarchy and contends that the leader-subordinate relationship is personalized. The leader-member relationship does not focus as much on a top-down relationship as consulting with subordinates, preserving social harmony and paying serious attention to subordinates' concerns (Islam, 2004). In Pakistan's context of moderately high-power distance, a leader is a symbol of influence and power, specifies policies and procedures, shares information and makes resources available to subordinates. Thus, an unequal but personalized leader-member interaction is deeply rooted in Pakistani organizational settings.

Transformational leadership behaviors like articulating a vision, fostering the acceptance of group goals, individualized support and providing an appropriate model to follow are expected to be effective for Pakistani subordinates. However, the transformational leadership behavior of intellectual stimulation may not be effective in a society that has a high uncertainty avoidance orientation. Therefore, it is expected that, with the exception of intellectual stimulation, the dimensions of transformational leadership will have a positive impact on subordinates in Pakistan.

Since transactional leadership may not be effective in highly collectivist societies, as it disturbs the harmony, therefore, transactional leadership in Pakistan's organizations may pose challenges. Face-saving and earning goodwill are common tactics among Pakistani managers. Transactions between leaders and followers are highly manipulative (Islam, 2004). For example, in Pakistan, a transactional leader immediately and publicly performs the contingent reward behaviors to earn goodwill but is reluctant to perform the contingent punishment behaviors publicly. If a leader has to administer contingent punishment, he or she clears his or her position in the eyes of subordinates by stating that he or she is unwilling to administer punishment but is forced by the top management to do so.

Based on this discussion of the differences and similarities between the cultural dimensions of Malaysia and Pakistan and their effect on leadership, it is expected that leadership in Malaysia is more likely to be accepted and influential than it is in Pakistan. To validate leadership effects on subordinates' outcomes empirically, a nomological network comprised of the transformational and transactional leadership dimensions as independent variables and their effects on five widely studied outcomes (performance, job satisfaction, organizational commitment, role ambiguity and work stress) has been developed to test hypotheses:

H1. The positive relationships of transformational leadership dimensions (with the exception of intellectual stimulation) with performance, job satisfaction and organizational commitment and negative relationships with role ambiguity and work stress will be stronger among Malaysian employees than Pakistanis.

H2. The negative relationships of intellectual stimulation with performance, job satisfaction and organizational commitment, and positive relationships with role ambiguity and work stress will be stronger among Malaysian employees than Pakistanis.

H3. The positive relationships of contingent reward with performance, job satisfaction, organizational commitment and negative relationships with role ambiguity and work stress will be stronger among Malaysian employees than Pakistanis.

H4. The negative relationships of contingent punishment with performance, job satisfaction and organizational commitment and positive relationships with role ambiguity and work stress will be stronger among Malaysian employees than Pakistani.

3. Substitutes for leadership in a culturally linked environment

Kerr and Jermier (1978) presented a substitutes-for-leadership theory that is comprised of situational factors under three broad categories of subordinate, task and organizational characteristics. They have identified 13 factors as substitutes for leadership: four under the category of subordinates' characteristics (ability, experience, training and knowledge; need for independence; professional orientation; and indifference to organizational rewards), three under task characteristics (task-provided feedback, routine tasks and intrinsically satisfying tasks) and six under organizational characteristics (organizational formalization, organizational inflexibility, group cohesiveness, advisory and supportive staff, organizational rewards out of leaders' control and spatial distance between leader and subordinates).

Earlier research on substitutes for leadership mainly considered substitutes for leadership as moderated phenomena (Farh *et al.*, 1987; Podsakoff *et al.*, 1993, 1996). As the term "substitutes for leadership" reflects that substitutes for leadership are factors that take on the role of formal leadership in organizations, testing them as moderating phenomena undercuts their basic role. Therefore, this study focuses on the independent and direct effects of substitutes for leadership on subordinates' outcomes in the Malaysian and Pakistani groups. This approach will help to clarify which substitutes for leadership are effective in which culture and so could be used as alternatives to leadership when leadership is absent or does not operate effectively. Leadership and related concepts are affected by both organizations and the cultures in which they operate (Bass, 1997), so researchers on substitutes for leadership have reached consensus that the prevalence of substitutes for leadership in an organization largely depends on the characteristics of the workforce, their tasks, the organizations and the organizations' industries, as well as the cultural setting (Farh *et al.*, 1987). Substitutes for leadership in a culturally linked environment are defined here and their links with subordinates' outcomes established.

Need for independence refers to employees' desire to be self-determining in carrying out their tasks (De Vries, 1997). Need for independence is a relatively lower-grade need in collectivistic societies and in high-power distance societies, where subordinates depend heavily on their leaders (Kennedy, 2003). Therefore, we assume that need for independence has no significant effects on the work-related attitudes and behaviors of workers in either Pakistan or Malaysia.

Ability, experience, training and knowledge refers to the job-related skills that an individual has acquired through formal and informal training, by example and by interacting with other in the workplace (De Vries, 1997). It shows the degree to which employees rely on their own ability and expertise in task-related matters. Most people in collectivist societies do not want to be held responsible individually but prefer that the collective bear responsibility (Smith *et al.*, 2002). Ansari *et al.* (2004) contended that Malaysian subordinates are highly dependent on their leaders, with whom they prefer to cultivate personal relationships, rather than work relationships. In a high-power distance society like that of Malaysia, leaders are expected to know more than subordinates, so it is assumed that subordinates consult with them (Kennedy, 2003). On the other hand, workers in Pakistan generally believe that they are more expert and knowledgeable than their counterparts and leaders, but performing tasks by applying their own abilities and methods

could make them responsible for the consequences. This scenario makes the effects of ability and experience on work-related attitudes and behaviors equivocal, especially for workers in Pakistan.

Professional orientation refers to the employee's identification with a specialized body of knowledge and its normative standards and ethical code of conduct (De Vries, 1997). Professional orientation could be high in societies where rules and procedures are obeyed and professions are respected, so we anticipate that professional orientation is higher among workers in Malaysia than it is in workers in Pakistan. However, conflicts between employees who have a professional orientation and their employing organizations could arise because professionals prefer to share their programs and methods openly with their professional peers, while organizations prefer to maintain secrecy and strict control and limit professional autonomy (Von Glinow, 1988). Employees in Malaysia usually avoid confrontation in the workplace, and despite having a high degree of professional orientation, they adhere to organizational standards, so their professional orientation may not affect their performance or satisfaction. Employees in Pakistan have a lower degree of professional orientation than those in Malaysia do, so it may not have a significant impact on their work-related outcomes.

Indifference to organizational rewards describes a relatively low value that an individual attaches to organizational rewards, such as intrinsic rewards, extrinsic rewards and social remuneration (De Vries, 1997). Most people who enter into a contractual relationship with an organization assess the rewards. On the other hand, when a society progresses economically, materialism tends to increase, so it is expected that indifference to organizational rewards would be less common among employees in Malaysia than among those in Pakistan but that it would still have an undesirable impact on work-related attitudes and behaviors.

Routine task refers to methodologically invariant tasks that are standardized to such a degree that the related activities are highly predictable (De Vries, 1997). The degree to which an employee faces routine tasks largely depends on the level of job, such that the lower the job's level, the more routine tasks are likely to be required. Further, the willingness to perform routine tasks is, to a certain degree, culture specific. For example, the Malaysians are moderate in uncertainty avoidance, which shows that they would, at least to some extent, be willing to engage in non-routine tasks. In contrast, Pakistani society is high in uncertainty avoidance, so they tend to prefer routine tasks. Therefore, the degree to perform routine tasks is likely to be higher among employees in Pakistan than among those in Malaysia, but has significant impacts on employees' work-related outcomes in both groups.

Intrinsically satisfying tasks refers to whether employees derive satisfaction out of the work performed. Task-provided feedback refers to adequate information pertaining to performance results (Kerr and Jermier, 1978). Both of these task-related elements are present to a high degree when an organizational system is well-developed and mature. Rosso *et al.* (2010) stated that clarity of purpose, a sense of belonging to a culture and interpersonal sensemaking are the mechanisms that create meaningful work. Lim (2001) described the work values of workers in Malaysia as dedication to doing a good job, pursuing success and showing loyalty to their organization. In contrast, Tayyab and Tariq (2001) reported that Pakistanis are less likely to be involved in their jobs. Therefore, it is anticipated that the employees in Malaysia would value intrinsically satisfying tasks and task-provided feedback, and that these two task-related elements produce significant effects on subordinates' outcomes.

Organizational formalization and organizational inflexibility are related concepts. Organizational formalization addresses the degree to which management clearly delineates duties, authority and accountability, whereas, organizational inflexibility refers to the degree to which employees and management adhere to these delineations (Lapidus *et al.*, 1997). Smith *et al.* (2002) contended that formal rules and procedures set by the top management are

more important in high-power distant societies than in low power distant societies. In Malaysia's organizations, rules and regulations are strictly followed, and even minor adjustments to work patterns are resisted (Ansari *et al.*, 2004). Therefore, Malaysia's organizations tend to be highly formalized and inflexible in terms of following rules and regulations. In Pakistan, people tend to believe that rules are made to be broken, so the "chalega" mindset prevails, despite the existence of written rules and regulations. Sometimes, formal rules and regulations are broken for the sake of personal interests or selectively enforced to favor friends and relatives (Islam, 2004). Therefore, Malaysia's organizations tend to be more formal and inflexible in setting and following rules than Pakistan's organizations are. Even so, both of these organizational characteristics could produce significant effects on subordinates' outcomes in both groups.

Cohesive groups refer to bonds among group members in the workplace. The members of a cohesive group are closely linked and interdependent and show mutual respect for each other (De Vries, 1997). Cohesive groups are an important source of satisfying the need for affiliation (Kerr and Jermier, 1978). As a part of the tradition in collectivist societies, individuals live as closely knit groups and prioritize the needs and welfare of the group ahead of individual interests (Jogulu, 2010). Both the Malaysian and the Pakistani societies are similar in terms of having closely knit and cohesive groups, so cohesive groups will produce similar functional effects on subordinates' outcomes.

Advisory staff refers to the information, guidance and feedback obtained from personnel who are located outside of the worker's work unit (Kerr and Jermier, 1978). Such advisory support may be discouraged when a leader in a high-power distant society wants to retain control over the internal workings of his or her department or when approaching outside staff members for work-related guidance undermines the leader-subordinate relationships and overall group harmony (Offermann and Hellmann, 1997). Lim (2001) stated that workers in Malaysia are reluctant to ask for help from peers but prefer to have guidance from their leaders. Therefore, it is anticipated that the advisory staff function may be undesirable in collectivist societies and may produce undesirable effects on subordinates' outcomes. Employees in Pakistan are also reluctant to seek guidance from their peers and co-workers because, if they are later promoted to be leaders of their groups, their subordinates may doubt their ability and be less receptive to their influence.

Organizational rewards outside the leader's control refers to a situation in which a leader lacks influence over the administration of rewards to his or her subordinates. The degree of organizational rewards outside the leader's control in Malaysia would be lower than that in Pakistan because of Malaysia's tendency to respect hierarchy and authority; workers in a work environment, where monetary benefits are important but the leader does not have control over the administration of organizational rewards are unlikely to accept the leader's influence. Therefore, organizational rewards outside the leader's control could have dysfunctional effects on subordinates' outcomes in both samples.

Spatial distance between leader and subordinates refers to the lack of frequent contact between leader and subordinates that can be due to a geographic dispersal of activities (De Vries, 1997). Modern-day technology could be a factor in such a situation, and since Malaysia is technologically more advanced than Pakistan, Malaysia's degree of spatial distance between leader and subordinates could be higher. The lack of frequent face-to-face contact between the leader and his or her subordinates, especially in Malaysia, could have dysfunctional effects on subordinates' work-related outcomes because of subordinates' high degree of dependence on their leaders in that country:

H5. The relationships of substitutes for leadership (with the exception of need for independence, routine task and organizational rewards outside the leader's control) with work outcomes will be stronger among Malaysian employees than Pakistanis.

4. Methodology

4.1 Sample and data collection procedure

A wide range of substitutes for leadership prevail in organizational settings, so the sample should be selected from diverse organizations (Dionne *et al.*, 2005). Several authors have suggested that substitutes for leadership are more likely to occur in higher-level jobs than they are in lower-level jobs (Avolio *et al.*, 2009; Podsakoff *et al.*, 1993). In line with the suggestions of researchers in the substitutes-for-leadership field, the researchers for the present study targeted highly professional jobs in both countries. The Pakistani sample was comprised of senior medical officers of districts and tehseil (municipal) headquarters hospitals, PhD faculty members of higher education institutions who are High Education Commission approved PhD supervisors, licensed pharmacists and certified engineers. The study sample from Pakistan was restricted to Punjab province, as it is the largest province and employs 58 percent of Pakistan's workforce (Pakistan Economic Survey, 2012). The master list for each job category except that of engineers was obtained through their professional organizations, and every fifth member was personally contacted for data collection.

The professional and statutory body for accreditation and regulation of professional engineers was contacted for a list of engineers. Since an updated list was not available, the exact number of engineers could not be determined. Researchers employed two-stage random sampling to get a representative sample. In the first stage, a list of engineering companies was prepared, and in the second stage, representative firms were selected. Two firms each from the cement industry, the chemical industry and engineering works, and one from electricity providers were selected. Lists of Pakistan Engineering Council certified engineers were accessed from the companies' human resource departments. The researchers visited the selected firms during general shifts and obtained formal consent from both human resource and concerned managers to approach engineers. In this way, 490 certified engineers from the five companies were contacted for the purpose of data collection.

Compared to Malaysia, the research culture in Pakistan is not strong, and people generally do not respond to web-based surveys. Therefore, the authors selected the self-administered method. A complete questionnaire, accompanied by a cover letter explaining the general purpose of the survey and ensuring the anonymity of responses, was administered to the selected respondents. However, before administering the questionnaires, respondents were briefed about the survey's purpose. A total of 1,428 questionnaires were personally administered.

Respondents were given one week to complete the questionnaire, after which the researchers visited the respondents to collect the completed questionnaires and to remind those who had not completed them to do so. After the second week, the researchers visited the respondents again to collect the remaining filled questionnaire. Of the 1,428 potential respondents, 547 filled out the survey. In total, 24 of the questionnaires were incomplete and were discarded for a net total of 523 responses that were usable for analysis.

The sample from Malaysia was comprised of PhD faculty members, medical doctors, engineers and pharmacists in Kuala Lumpur and Selangor. To collect the data from these respondents, the authors hired a data collecting firm. The master lists for the each category of respondents were finalized during meetings with this firm, and a web-based survey was designed as a data collection method. A total of 345 respondents were contacted through e-mail and provided with the link to the web-based survey, and 240 respondents filled out the web-based survey, out of which 25 were incomplete, giving us a net of 215 responses usable for analysis. Demographic profile of the respondents is provided in Table I.

As the respondents were highly qualified and had reasonable command of English, a standardized English version of the questionnaire was used in both Malaysia and Pakistan.

	Malaysian sample ($n = 215$)	Pakistani sample ($n = 523$)
Category		
PhD faculty members	55	104
Medical doctors	51	235
Engineers	59	118
Pharmacists	50	66
Gender		
Male	98	411
Female	117	112
Education		
BS	130	274
MS	26	121
PhD	59	116
Any other diploma	0	12
Average age (years)	33.09	37.61
Average work experience (years)	5.15	6.83

Table I.
Respondents' profile

4.2 Measurement

4.2.1 Substitutes for leadership. Substitutes for leadership were measured with revised scales from Podsakoff *et al.* (1993), consisting of 41 items, three items for each of the constructs (ability and experience, professional orientation, indifference toward organizational rewards, need for independence, routine tasks, task-provided feedback, intrinsically satisfying tasks, advisory and staff support, cohesive groups, organizational rewards out of the leader's control and spatial distance between superior and subordinates) and four items each for (organizational formalization and organizational inflexibility) were used.

4.2.2 Leadership styles. Transformational leadership style was measured with the TLI developed by Podsakoff *et al.* (1990). A set of nineteen items from the TLI was chosen – five for articulating a vision; four each for fostering the acceptance of group goals, individualized support and intellectual stimulation; and two for providing an appropriate model.

Transactional leadership style was measured with the LRPQ (Podsakoff *et al.*, 1984), which measures the transactional leader's ability to administer contingent reward and contingent punishment. This study used nine items from the LRPQ to measure the leader's contingent reward behaviors and five items for the leader's contingent punishment behaviors.

4.2.3 Outcomes. The self-rated performance index from Roe *et al.* (1995), which consists of six items, was used to measure the respondents' work performance in terms of quality, quantity and cooperation. The original scale uses ratings ranging from 1 (very low) to 8 (very high). However, in order to maintain uniformity in the questionnaire's scales, the 1-8 range was converted a scale of 1-5 (strongly disagree to strongly agree) using statements like "The quality of work I perform is better than that of my colleagues," "I do more work than my colleagues do," and "I fully cooperate with my co-workers in carrying out their assignments." Respondents were asked to rate their performance in comparison to that of their colleagues.

Job satisfaction was measured using six items from the Minnesota Satisfaction Questionnaire (Weiss *et al.*, 1967), which covers the respondents' attitude toward his or her job, work environment, organizational compensation policies, satisfaction with supervisors and satisfaction with how his or her leader provides guidance on work-related issues and administers rewards and punishment. The six items for measuring employees' commitment to their organizations were selected from Meyer and Allen's (1997) affective commitment measures. A shortened version (seven items) of Rizzo *et al.*'s (1970) questions to assess role

ambiguity was used. Nine items to measure the general work stress and stress with the leader were selected from Curtis and Borden (1977), of which six items measured general work stress and three items measured supervisory work stress.

All items were scored on a five-point Likert scale ranging from "1" (strongly disagree) to "5" (strongly agree).

5. Results

This section presents the results of the study. First, multi-group confirmatory factor analysis (MG-CFA) is carried out to test the measurement invariance (MI) and measurement properties of the latent constructs. Second, structural models are constructed in AMOS in order to estimate the independent and direct effects of leadership styles and substitutes for leadership on subordinates' outcomes.

5.1 Confirmatory factor analysis (CFA)

In cross-cultural research, it is recommended to test for MI in order to ensuring comparability which requires that the same models hold across the populations being measured. CFA has ability to examine the equivalency of all measurement and structural parameters of the factor model across multiple groups (Brown, 2006). MG-CFA, which involves simultaneous confirmatory factor analyses in two or more groups, compares groups in the context of the latent variable measurement model while adjusting for measurement errors, correlated residuals and so forth. A series of hierarchically nested models are tested with each pair of models in the sequence nested because a set of parameters are constrained to be equal across groups in the more restricted model but not in the less restricted model (Chen *et al.*, 2005). In order to determine whether MI is present, the values of the fit indices in the constrained models are compared with those of the unconstrained model (i.e. baseline model). Because of the limitations of fit indices, researchers recommended evaluating the change in CFI across the models and that a difference larger than 0.01in the CFI indicates a meaningful change in model fit when testing MI (Cheung and Rensvold, 2002).

We employed multi-group analysis to test whether both the measurement models are same for the Malaysian and the Pakistani groups. In doing so, we followed the standardized stepwise sequence of MG-CFA invariance suggested by Brown (2006): first, we tested the CFA model separately in each group; second, we conducted a simultaneous test of the identical factor structure; third, we tested the equality of factor loading; fourth, we tested the equality of the indicator intercept; fifth, we added equal constraints to the factor variances and latent means.

We conducted confirmatory factor analyses separately for the samples from Malaysia and Pakistan. The results of the CFA of the Malaysian sample ($n = 215$) revealed that with the exception of eighth and ninth indicators of contingent rewards, the fourth and fifth indicators of contingent punishment, the first three indicators of job performance and the first three indicators of work stress, all other indicators had loadings greater than the cut-off value (0.5) recommended by Hair *et al.* (2010). The initial solution showed poor fit statistics (CMIN/df = 2.13; RMR = 0.176; RMSEA = 0.073; CFI = 0.67; TLI = 0.66), so we deleted these problematic items and conducted a second CFA. The results of the second CFA revealed that, although the loadings of the indicators were greater than the cut-off value and significant at $p < 0.01$, the revised model showed poor fit (CMIN/df = 1.76; RMSEA = 0.06; RMR = 0.079; CFI = 0.82; TLI = 0.81).

The results of the CFA of the sample from Pakistan ($n = 523$) revealed that the fourth indicator of individualized support of transformational leadership, the eighth and ninth indicators of contingent reward of transactional leadership and the fourth and fifth indicators

of contingent punishment of transactional leadership had loadings lower than the cut-off value. The initial measurement model showed a traditional fit (CMIN/df = 1.86; RMR = 0.85; RMSEA = 0.041; CFI = 0.85; TLI = 0.84). After deleting the items with loadings lower than the cut-off value, we ran the model again, and this time the loading scores of the indicators were greater than the cut-off values and significant at $p < 0.01$, and the revised model showed a reasonable fit (CMIN/df = 1.69; RMR = 0.039; RMSEA = 0.036; CFI = 0.90; TLI = 0.89).

In the next step, we undertook the sequence of MI tests. In order to conduct the MG-CFA for the two samples, we constructed a complete measurement model by specifying the indicators on their parent latent constructs and added four constraints (identical factor structure, equality of factor loadings, equality of indicator intercepts and equality of indicator residual variance) to test a stricter model for assessing MI. Following Hu and Bentler (1999), we also report CMIN/df, RMR, RMSEA and TLI values, but in testing the MI, we mainly used the change in the CFI value. The model fit statistics of the five models are shown in Table II.

In the unconstrained model the two groups are fitted separately and there are no equality constraints imposed. The measurement weights are constrained to be equal in the measurement weights model, the measurement intercepts are constrained to be equal in the measurement intercepts model and the measurement residuals are constrained in the measurement residuals model. The results of the unconstrained model's fit indices reveal that the unconstrained model fits reasonably well (CMIN/df = 1.55; RMR = 0.058; RMSEA = 0.028; CFI = 0.89; TLI = 0.88). Then we compared the CFI values of the constrained models with that of the unconstrained model. Comparing to the unconstrained model's CFI with those of the measurement weights model and the measurement intercepts model, we find no substantial differences, so we conclude that the results of the measurement weights and measurement intercepts are invariant across the two groups. Comparing the unconstrained model's CFI with that of the measurement residuals model revealed a difference of 0.05 (0.89 vs 0.84), but this difference does not indicate a major threat of MI in our study. Many authors hold the view that the assumptions of a fully restricted model are unrealistic in cross-cultural studies with different national and cultural samples (Chen *et al.*, 2005). Therefore, based on the results shown in Table II, we conclude that MI is supported in our study because including equality constraints does not significantly decrease the model's fit indices.

5.1.1 Validity and reliability. In addition to model fit, CFA also tests the unidimensionality of the construct and evaluates the data set by confirming the underlying structure based on theory (Hair *et al.*, 2010). The standardized regression coefficients (λ) of the indicators, the average variance extracted and the composite reliability scores of the constructs are used to verify the measures' dimensionality. In both samples the scores of the factor loadings are greater than the cut-off values and significant at the 0.01 level. Further, the scores of the average variance extracted, the composite reliability and the Cronbach's α in all cases across both samples exceed their suggested cut-off values of 0.5 (Hair *et al.*, 2010) and 0.70 (Nunnally and Berstein, 1994), and provided enough evidence to support convergent validity.

Discriminant validity, another way to test construct validity, shows the degree to which a latent construct is distinct from other latent constructs (Hair *et al.*, 2010). For discriminant

Table II.
Model fit comparison for multiple models

	CMIN/df	RMR	RMSEA	CFI	TLI
Unconstrained	1.55	0.058	0.028	0.89	0.88
Measurement weights	1.60	0.063	0.028	0.88	0.88
Measurement intercepts	1.60	0.063	0.029	0.88	0.86
Measurement residuals	1.81	0.086	0.033	0.84	0.83
Independence model	5.71	0.188	0.080	0.00	0.00

validity, we employed Fornell and Larcker's (1981) criteria and compared the squared correlation scores among the latent constructs (correlation results are omitted due to space constraint) with the squared roots of the average extracted scores across both samples. The comparison revealed that, in all cases, the squared roots of the average variance extracted scores exceeded the squared correlations of the latent constructs, thereby evidencing discriminant validity.

Reliability is tested by calculating the Cronbach's α coefficients and composite reliability. The Cronbach's α and composite reliability exceeded the cut-off value of 0.7 suggested by Nunnally and Berstein (1994) and revealed good reliability of the measure in both samples. Table III shows the validity, reliability and descriptive statistics results.

Because data on all the variables in the study were obtained from single source in both countries, common method variance was a possibility (Podsakoff *et al.*, 2003). To reduce this threat proactively, we separated the constructs' measures when we collected the data, and we used two *post hoc* remedies: first, we used Harman's single-factor test, running an exploratory factor analysis for all observed measures (Podsakoff *et al.*, 2003). The results revealed that the first factor accounted for only 9 percent of the total variance in the case of Pakistan and 16.8 percent in the case of Malaysia, so the results suggest that common method variance is not a problem in this study. Second, because of the possible limitations of Harman's single-factor test, we employed a partial correlation procedure by including a marker variable. Lindell and Whitney (2001) argued that common method variance can be assessed by identifying a marker variable, that is, a variable that is not theoretically related

Latent constructs	Malaysian sample ($n = 215$) Mean (μ_1)	AVE	CR	A	Pakistani sample ($n = 523$) Mean (μ_2)	AVE	CR	α
Need for independence	3.44	0.54	0.77	0.77	2.99	0.7	0.88	0.87
Ability, experience, training and knowledge	3.55	0.57	0.8	0.79	3.22	0.56	0.79	0.79
Professional orientation	3.99	0.66	0.85	0.84	3.09	0.83	0.94	0.91
Indifference toward organizational rewards	2.71	0.54	0.77	0.75	3.12	0.73	0.89	0.89
Routine tasks	2.78	0.68	0.86	0.86	2.98	0.73	0.89	0.88
Task-provided feedback	3.69	0.65	0.85	0.83	3.09	0.71	0.88	0.88
Intrinsically satisfying tasks	3.78	0.72	0.88	0.88	3.14	0.73	0.89	0.89
Organizational formalization	3.38	0.57	0.84	0.84	3.05	0.68	0.9	0.89
Organizational inflexibility	3.52	0.51	0.8	0.8	3.03	0.72	0.91	0.91
Advisory staff	3.48	0.49	0.73	0.71	3.01	0.69	0.87	0.87
Cohesive groups	3.95	0.69	0.87	0.87	3.13	0.73	0.89	0.88
Rewards out of leader's control	2.53	0.54	0.77	0.71	3.14	0.65	0.85	0.86
Spatial distance between leader and followers	2.68	0.65	0.85	0.84	2.96	0.69	0.87	0.86
Articulating a vision	3.59	0.7	0.92	0.92	3.07	0.62	0.89	0.89
Fostering the acceptance of group goal	3.65	0.75	0.93	0.92	3.06	0.58	0.84	0.84
Intellectual stimulation	3.67	0.8	0.92	0.91	3.13	0.53	0.77	0.78
Individualized support	3.44	0.74	0.9	0.89	3.18	0.51	0.75	0.74
Providing an appropriate model to follow	3.70	0.81	0.9	0.89	3.16	0.62	0.77	0.75
Contingent rewards	3.37	0.75	0.95	0.95	3.26	0.63	0.91	0.9
Contingent punishments	3.42	0.68	0.87	0.84	3.31	0.47	0.72	0.7
Performance[a]	3.09	0.62	0.82	0.81	3.45	0.59	0.82	0.82
Job satisfaction	3.50	0.53	0.87	0.86	3.23	0.50	0.86	0.85
Organizational commitment	3.43	0.72	0.94	0.94	3.30	0.50	0.85	0.85
Role ambiguity	2.77	0.47	0.86	0.86	3.09	0.48	0.87	0.87
Work stress[a]	2.36	0.51	0.86	0.85	3.34	0.42	0.81	0.81

Notes: AVE, average variance extracted; CR, composite reliability; α, Cronbach's α. [a]Job performance score in the Malaysian sample was calculated using three items; work stress score in the Malaysian sample was calculated using six items

Table III.
Descriptive statistics, average variance extracted, composite reliability and Cronbach's α scores

to at least one other variable in the study. Like earlier research (Griffith and Lusch, 2007; Hur *et al.*, 2015), we used the respondents' age as the marker variable. The results revealed that the marker variable was not related to any of the variables in either group. Thus, the results further corroborate that common method variance is not a serious problem in this study.

5.2 Test of hypotheses

To test the hypotheses, we constructed four structural models, two for each country's sample – one for the leadership dimensions (*H1-H4*; Table IV) and one for the substitutes for leadership (*H5*; Table V). This approach allows us to test the general adequacy of the proposed model for each country and whether the data support the proposed model. The results of the commonly used fit indices: CMIN/df, RMR, RMSEA, CFI and TLI are used to evaluate the overall fitness of each model. Following the common practice in testing model fit, all insignificant paths are trimmed. The results (Table VI) of this procedure are generally good and show adequate support for each of the proposed models.

5.2.1 Leadership dimensional effects models. The results for *H1* revealed that articulating a vision positively affected performance ($\gamma = 0.14$, $p < 0.05$) and negatively affected role ambiguity ($\gamma = -0.14$, $p < 0.05$) and work stress ($\gamma = -0.28$, $p < 0.01$) in Malaysian sample. In Pakistan, articulating a vision positively affected performance ($\gamma = 0.09$, $p < 0.05$), job satisfaction ($\gamma = 0.21$, $p < 0.01$) and organizational commitment ($\gamma = 0.14$, $p < 0.01$). Fostering the acceptance of group goals positively affected performance ($\gamma = 0.14$, $p < 0.05$), job satisfaction ($\gamma = 0.21$, $p < 0.01$) and role ambiguity ($\gamma = 0.19$, $p < 0.05$) in Malaysia. In Pakistan, fostering the acceptance of group goals positively affected performance ($\gamma = 0.18$, $p < 0.01$) and job satisfaction ($\gamma = 0.17$, $p < 0.01$). Individualized support positively affected performance ($\gamma = 0.24$, $p < 0.01$), job satisfaction ($\gamma = 0.16$, $p < 0.05$) and organizational commitment ($\gamma = 0.21$, $p < 0.01$) but negatively affected role ambiguity ($\gamma = -0.20$, $p < 0.01$) in Malaysia. In Pakistan, individualized support negatively affected role ambiguity ($\gamma = -0.10$, $p < 0.05$) and work stress ($\gamma = -0.10$, $p < 0.05$). Providing an appropriate model to follow did not significantly affect any of the outcomes in Malaysian sample but in Pakistan, it positively affected job satisfaction ($\gamma = 0.19$, $p < 0.01$) and organizational commitment ($\gamma = 0.24$, $p < 0.01$).

The results for *H2* revealed that intellectual stimulation negatively affected job satisfaction ($\gamma = -0.13$, $p < 0.05$) and work stress ($\gamma = -0.13$, $p < 0.05$) in Malaysia but in Pakistan, it did not significantly affect any of the outcomes. The results for *H3* revealed that contingent rewards positively affected job satisfaction ($\gamma = 0.40$, $p < 0.01$), organizational commitment ($\gamma = 0.30$, $p < 0.01$) but negatively affected role ambiguity ($\gamma = -0.14$, $p < 0.05$) and work stress ($\gamma = -0.18$, $p < 0.05$) in Malaysia. In Pakistan, contingent rewards positively affected job satisfaction ($\gamma = 0.09$, $p < 0.05$), organizational commitment ($\gamma = 0.13$, $p < 0.05$) and negatively affected work stress ($\gamma = -0.14$, $p < 0.01$). The results for *H4* revealed that contingent punishment positively affected performance ($\gamma = 0.30$, $p < 0.01$), role ambiguity ($\gamma = 0.46$, $p < 0.01$) and work stress ($\gamma = 0.29$, $p < 0.01$) and negatively affected job satisfaction ($\gamma = -0.33$, $p < 0.01$) and organizational commitment ($\gamma = -0.28$, $p < 0.01$) in Malaysia. In Pakistan, contingent punishment positively affected performance ($\gamma = 0.10$, $p < 0.05$), job satisfaction ($\gamma = 0.21$, $p < 0.01$) and work stress ($\gamma = 0.17$, $p < 0.01$).

5.2.2 Results of the substitutes-for-leadership models. The results for *H5* revealed that need for independence did not significantly affect any of the outcomes in Malaysia but in Pakistan, it negatively affected the organizational commitment ($\gamma = -0.10$, $p < 0.05$). Ability and experience positively affected organizational commitment ($\gamma = 0.25$, $p < 0.01$) in Malaysia and it positively affected the job satisfaction ($\gamma = 0.16$, $p < 0.01$) in Pakistan. Professional orientation negatively affected the work stress in both samples (Malaysia: $\gamma = -0.18$, $p < 0.01$;

	Malaysian sample Outcomes					Pakistani sample Outcomes				
	Performance	Job satisfaction	Organizational commitment	Role ambiguity	Work stress	Performance	Job satisfaction	Organizational commitment	Role ambiguity	Work stress
Articulating a vision	0.14*	0.08	0.03	−0.14*	−0.28**	0.09*	0.21**	0.14**	0.02	−0.02
Fostering the acceptance of group goal	0.14*	0.21**	0.02	0.19*	0.09	0.18**	0.17**	−0.01	0.01	0.01
Intellectual stimulation	−0.07	−0.13*	−0.08	−0.06	−0.13*	0.02	0.08	0.07	−0.01	0.06
Individualized support	0.24**	0.16*	0.21**	−0.20**	−0.10	0.04	0.07	−0.08	−0.10*	−0.10*
Providing an appropriate model to follow	0.07	0.03	0.08	−0.06	−0.02	0.03	0.19**	0.24**	−0.07	0.01
Contingent rewards	0.07	0.40**	0.30**	−0.14*	−0.18*	0.02	0.09*	0.13*	0.05	−0.14**
Contingent punishments	0.30**	−0.33**	−0.28**	0.46**	0.29**	0.10*	0.21**	−0.08	0.02	0.17**

Notes: *$p < 0.05$; **$p < 0.01$

Table IV.
Direct effects of transformational and transactional leadership dimensions on subordinates' outcomes

Table V.
Direct effects of substitutes for leadership on subordinates' outcomes

	Malaysian sample Outcomes					Pakistani sample Outcomes				
Substitutes for leadership	Performance	Job satisfaction	Organizational commitment	Role ambiguity	Work stress	Performance	Job satisfaction	Organizational commitment	Role ambiguity	Work stress
Need for independence	0.07	0.06	0.06	−0.01	0.08	0.08	0.04	−0.10*	0.03	0.03
Ability, experience, training and knowledge	0.09	0.06	0.25**	−0.06	−0.06	0.05	0.16**	0.04	0.01	0.05
Professional orientation	−0.04	−0.02	0.02	−0.01	−0.18**	0.00	0.00	0.04	−0.06	−0.09*
Indifference toward organizational rewards	0.00	−0.24**	−0.24**	0.33**	0.13*	−0.07	0.00	−0.10*	0.10*	0.05
Routine tasks	0.22**	0.22**	0.09	−0.17*	−0.02	0.10*	0.04	0.00	0.00	0.11*
Task-provided feedback	0.08	0.07	0.00	−0.14*	−0.08	0.06	0.14**	0.20**	−0.10*	−0.09*
Intrinsically satisfying tasks	0.04	0.30**	0.14*	0.00	−0.18**	0.05	0.09*	−0.04	0.00	0.03
Organizational formalization	0.01	0.07	0.23**	0.06	0.02	0.02	0.01	0.14*	0.05	−0.02
Organizational inflexibility	0.03	0.26**	0.03	−0.07	0.06	0.01	0.05	0.10*	0.00	0.10*
Advisory staff	0.05	−0.03	0.10	0.23**	0.39**	0.01	0.05	0.13*	0.07	0.14*
Cohesive groups	0.21**	0.26**	0.22**	−0.39**	−0.29**	0.16**	0.15**	0.04	−0.01	0.00
Organizational rewards outside leader's control	−0.21**	0.05	−0.14*	−0.01	0.03	0.03	0.02	0.13*	0.00	0.05
Spatial distance between leader and followers	0.02	0.05	−0.02	0.14*	0.26**	0.06	0.10*	−0.03	0.25**	0.21**

Notes: *$p < 0.05$; **$p < 0.01$

Pakistan: $\gamma = -0.09$, $p < 0.05$). In Malaysia, indifference toward organizational rewards negatively affected job satisfaction ($\gamma = -0.24$, $p < 0.01$) and organizational commitment ($\gamma = -0.24$, $p < 0.01$) but positively affected role ambiguity ($\gamma = 0.33$, $p < 0.01$) and work stress ($\gamma = 0.13$, $p < 0.05$). In Pakistan, indifference toward organizational rewards negatively affected organizational commitment ($\gamma = -0.10$, $p < 0.05$) but positively affected role ambiguity ($\gamma = 0.10$, $p < 0.05$). Routine task in the Malaysian sample positively affected performance ($\gamma = 0.22$, $p < 0.1$), job satisfaction ($\gamma = 0.22$, $p < 0.01$) and negatively affected role ambiguity ($\gamma = -0.17$, $p < 0.05$). In Pakistani sample, routine task positively affected performance ($\gamma = 0.10$, $p < 0.05$) and work stress ($\gamma = 0.11$, $p < 0.05$). Task-provided feedback in Malaysian sample negatively affected role ambiguity ($\gamma = -0.14$, $p < 0.05$). In Pakistani sample, task-provided feedback positively affected job satisfaction ($\gamma = 0.14$, $p < 0.01$) and organizational commitment ($\gamma = 0.20$, $p < 0.01$) but negatively affected role ambiguity ($\gamma = -0.10$, $p < 0.05$) and work stress ($\gamma = -0.09$, $p < 0.05$). Intrinsically satisfying task positively affected job satisfaction ($\gamma = 0.30$, $p < 0.01$) and organizational commitment ($\gamma = 0.14$, $p < 0.05$) and negatively affected work stress ($\gamma = -0.18$, $p < 0.01$) in Malaysia. In Pakistan, intrinsically satisfying task positively affected job satisfaction ($\gamma = 0.09$, $p < 0.05$).

Organizational formalization positively affected organizational commitment in both samples (Malaysia: $\gamma = 0.23$, $p < 0.1$; Pakistan: $\gamma = 0.14$, $p < 0.05$). Organizational inflexibility positively affected job satisfaction ($\gamma = 0.26$, $p < 0.01$) in Malaysian sample. In Pakistani sample, organizational inflexibility positively affected organizational commitment ($\gamma = 0.10$, $p < 0.05$) and work stress ($\gamma = 0.10$, $p < 0.05$). Advisory staff positively affected role ambiguity ($\gamma = 0.23$, $p < 0.01$) and work stress ($\gamma = 0.39$, $p < 0.1$) in Malaysian sample. In Pakistani sample, advisory staff positively affected organizational commitment ($\gamma = 0.13$, $p < 0.05$) and work stress ($\gamma = 0.14$, $p < 0.05$). Cohesive groups in Malaysian sample positively affected performance ($\gamma = 0.21$, $p < 0.1$), job satisfaction ($\gamma = 0.26$, $p < 0.01$) and organizational commitment ($\gamma = 0.22$, $p < 0.01$), and negatively affected role ambiguity ($\gamma = -0.39$, $p < 0.01$) and work stress ($\gamma = -0.29$, $p < 0.01$). In Pakistani sample, cohesive groups positively affected performance ($\gamma = 0.16$, $p < 0.01$) and job satisfaction ($\gamma = 0.15$, $p < 0.01$). Organizational rewards outside the leader's control negatively affected performance ($\gamma = -0.21$, $p < 0.01$) and organizational commitment ($\gamma = -0.14$, $p < 0.05$) but in Pakistani sample, it positively affected organizational commitment ($\gamma = 0.13$, $p < 0.05$). Spatial distance between leader and followers in Malaysian sample positively affected role ambiguity ($\gamma = 0.14$, $p < 0.05$) and work stress ($\gamma = 0.26$, $p < 0.01$). In Pakistani sample, spatial distance between leader and followers positively affected job satisfaction ($\gamma = 0.10$, $p < 0.05$), role ambiguity ($\gamma = 0.25$, $p < 0.01$) and work stress ($\gamma = 0.21$, $p < 0.01$).

6. Discussion

6.1 The effects of leadership styles on subordinates' outcomes

The purpose of this study is to determine whether cultural boundary conditions influence the relationship of leadership styles and substitutes for leadership with subordinates' outcomes in divergent samples from Malaysia and Pakistan. First, it tests the direct effects of the dimensions of leadership styles (transformational and transactional leadership)

	CMIN/df	RMR	RMSEA	CFI	TLI
Malaysia, leadership model	1.92	0.077	0.065	0.88	0.87
Pakistan, leadership model	1.73	0.054	0.037	0.92	0.92
Malaysia, substitutes-for-leadership model	1.83	0.090	0.060	0.85	0.84
Pakistan, substitutes-for-leadership model	1.92	0.057	0.042	0.89	0.88

Table VI. Fit indices for the individual models

on subordinates' outcomes. Second, it tests the direct effect of substitutes for leadership on subordinates' outcomes in both cultures.

As hypothesized (*H1*), the significant effects of transformational leadership dimensions (with the exception of intellectual stimulation) in both samples are consistent with the proposition of transformational leadership (Bass, 1985; Conger and Kanungo, 1987) and with generally reported findings (Podsakoff *et al.*, 1996) that transformational leaders increase their employees' performance, satisfaction and commitment, and reduce role ambiguity and work-related stress. These results reveal that individualized support, especially in the Malaysian sample, produce four significant and desirable effects on subordinates' outcomes. These effects convincingly support the conclusion that a leader who demonstrates supportive kindness and concern for subordinates has a significant impact in shaping subordinates' desirable attitudes and behaviors (Dorfman *et al.*, 1997; Podsakoff *et al.*, 1996). The results confirm that, in Malaysia's highly collectivist and high-power distance society, subordinates prefer the individualized support of transformational leadership over other dimensions of transformational leadership.

The results for *H2* reveal that intellectual stimulation in the Malaysian sample negatively affects job satisfaction and work stress. Intellectual stimulation has a trade-off effect on work stress and job satisfaction among Malaysian employees, which reflects that involving employees in some intellectual processes is rewarding, but continuously exhorting followers to think in innovative ways tends to decrease their satisfaction level (Podsakoff *et al.*, 1996). In the Pakistani sample, intellectual stimulation had no significant effect on any of the outcomes under study, perhaps because of that society's high level of uncertainty avoidance; this orientation could be why Pakistani employees are not receptive of a leadership influence that exhorts them to think "out of the box."

The results for *H3* reveal that contingent rewards positively affect job satisfaction and organizational commitment and negatively affect role ambiguity and work stress in the Malaysian sample. In the Pakistani sample, contingent rewards positively affect job satisfaction and organizational commitment and negatively affect work stress. The results for *H3* reveal that both Pakistani and Malaysian employees feel more satisfied, highly committed and relaxed if leaders offer contingent rewards in terms of social remuneration (Podsakoff *et al.*, 2006). However, offering contingent rewards in terms of social remuneration does not result in higher performance in either sample. The insignificant effects of contingent rewards on performance suggest that leaders should offer monetary incentives, rather than social remuneration, to increase employees' performance level. These insignificant effects may also be attributed to the professional employees in our sample's placing more importance on monetary rewards than on social remuneration (Von Glinow, 1988).

The results for *H4* show that contingent punishment significantly affects all five outcomes in the Malaysian sample, but four of these effects (positive effects on role ambiguity and work stress and negative effects on job satisfaction and organizational commitment) are in the expected direction. These results support the hypothesis that contingent punishment administered by a leader in a high-power distant society seems to be legitimate but has undesirable effects on subordinates' outcomes (Walumbwa *et al.*, 2007). The positive effects on performance might be due to a fear factor that leads subordinates to maintain their performance level to avoid punishment. While the performance result is desirable, the negative effects on other worker outcomes could have indirect effects on performance in the long term. Partially consistent with the results from the sample in Malaysia, contingent punishment positively affects performance, job satisfaction and work stress in the Pakistani sample.

Taken together, the effects of the leadership dimensions on subordinates' outcomes in both groups provided mixed support for the proposed hypotheses. In general, the results for the dimensions of transformational leadership were consistent with the theoretical

assumptions (Bass, 1985) and earlier studies' results (Dorfman *et al.*, 1997; Javidan and House, 2001; Podsakoff *et al.*, 1996) and tend to reflect desirable effects. These results corroborate earlier findings that transformational leadership is an effective form of leadership across cultures. These results also support Bass's (1997) notion regarding the universal acceptability of transformational leadership. On the other hand, transactional leadership may be a culturally specific form of leadership that can be effective in highly individualistic societies (Dorfman *et al.*, 1997; Walumbwa *et al.*, 2007) but not in collectivist societies like those of Malaysia and Pakistan. The functional effects of transformational leadership and the dysfunctional effects of transactional leadership may be attributed to collectivist society's norms where use of accurate transactions between leader and followers is lower as compared to intrinsic motivation (Gelfand *et al.*, 2007). On the other hand, the preference of transformational leadership over transactional leadership may also be attributed to our samples' characteristics, as the professionals in our samples are likely to prefer the transformational type of leadership over the transactional type. Rosen and Jerdee (1974) reported that high-status employees are less likely to be punished for the same transgressions than low status employees.

6.2 The effects of substitutes for leadership on subordinates' outcomes

The results for *H5* revealed that in the sample from Malaysia, 26 effects of substitutes for leadership on subordinates' outcomes were found to be significant and in the Pakistan group, 23 effects of substitutes for leadership on subordinates' outcomes were found significant. Taken together, the patterns of the effects of substitutes for leadership on subordinates' outcomes in both samples are alike, with a few exceptions. Need for independence seemed irrelevant in both Malaysian and Pakistani employees because both societies are collectivistic in nature and have moderate to high-power distance orientation. Ability and experience positively affected organizational commitment in the Malaysian sample and positively affected job satisfaction in the sample from Pakistan. Professional orientation negatively affected work stress in both samples. Indifference toward organizational rewards produced dysfunctional effects on subordinates' outcomes in both samples. These dysfunctional effects may be attributed to the sample's characteristics, but the effects are consistent with the results reported by Podsakoff *et al.* (1996), and they support the theoretical arguments of Von Glinow (1988) that leaders must identify rewards that employees value.

Routine task positively affected performance and work stress among Pakistani employees but positively affected performance and job satisfaction, and negatively affected role ambiguity in the sample from Malaysia. The positive effects of routine task on job satisfaction in the Malaysian sample are contrary to the theoretical arguments (Hackman and Oldham, 2005), so additional research is needed to clarify these effects. Task-provided feedback in the Malaysian sample negatively affected role ambiguity but in the sample from Pakistani, it significantly affected four of the five outcomes and these significant effects are in predicted way. Especially, in the Pakistani sample, task-provided feedback has produced greater and desirable significant effects on outcomes than any of the substitute for leadership, which convincingly show that task-provided feedback element is a preferred by the Pakistani employees. Intrinsically satisfying tasks produced predicted effects in both samples. Similarly, organizational formalization and inflexibility affected at least one of the outcomes in both samples. As expected advisory staff positively affected role ambiguity and work stress in the Malaysia, and positively affected work stress in the Pakistan. These results support the theoretical argument that, in collectivist societies, staff support from outside the workers' units undermines group harmony (Offermann and Hellmann, 1997). Especially in high-power distant context, where a leader wants to maintain strict control, in such cases, consulting outside the unit is considered violating code of ethics, and such

actions are considered punishable. Cohesive groups produced two functional effects in the Pakistan group but significant and functional effects on all five outcomes in the Malaysia group. On one side, the results corroborate the idea that, in collectivist cultures, cohesion is an important determinant of employees' attitudes and behaviors in the workplace, so an interest in team-building and promoting harmony is justified. On the other side, all five significant and functional effects of cohesive group in the sample from Malaysia support our argument that cohesive groups occur more often in mature and developed organizational systems. Spatial distance positively affected role ambiguity and work stress in both samples. These effects are consistent with findings reported by Lapidus *et al.* (1997). In collectivist societies, where leader-subordinates' interactions are personalized, face-to-face interactions with leaders are important. Organizational rewards outside the leader's control significantly and negatively affected the performance and organizational commitment of the respondents in the Malaysia sample but positively affected the organizational commitment of Pakistan's respondents. The results in the sample from Malaysia are intuitively appealing in that, in high-power distance societies, where leaders have considerable control over the administration of rewards, rewards being outside the leader's control contradicts the subordinates' expectations. The results support Saltz's (2004) argument that an expectation gap between what subordinates expect of their leader and what the leader does tends to decrease subordinates' performance and satisfaction and to undermine their commitment level. However, the positive effects of organizational rewards outside the leader's control are equivocal and need further research.

7. Implications

Findings of the study provide useful insights for theory-building and practice. First, the positive but dissimilar effect of the dimensions of transformational leadership on subordinates' outcomes in both samples show that transformational leadership has some universal and some cultural-specific elements. Although the central tenet of transformational leadership could be the same, its behavioral manifestations could vary across cultures (Bass, 1997). Therefore, scholars who study transformational leadership in cultures other than that of the USA should thoroughly understand the general leadership patterns, societal and work values and other factors relevant to leadership in their countries of focus. This approach will help them to define the transformational leadership domain theoretically, identify relevant facets of the concept and develop parsimonious measures that lead to adding or dropping certain indicators. For example, intellectual stimulation, as hypothesized in this study, had no significant effects on subordinates' outcomes in the Pakistan sample, and providing an appropriate model to follow had no significant effects on subordinates' outcomes in the sample from Malaysia.

Second, the undesirable effects of the dimensions of transactional leadership, especially contingent punishment on subordinates' outcomes in both samples are attributable to the cultural characteristics of both countries, where face-saving and maintaining harmonious relationships are essential in the workplace. However, the dimensions of transactional leadership are in keeping with the paternalistic leadership styles in Asia's collectivist societies, creating a challenge for practitioners in determining how to administer contingent punishment among subordinates tactfully.

Third, in the sample from Malaysia, contingent rewards correlated with all the dimensions of transformational leadership at a significantly higher level than contingent punishment did. Gauging the dimensions of transformational leadership and transactional leadership using two leadership measures (TLI and LRPQ) did not provide convincing evidence for segregating contingent reward behavior from the dimension of transformational leadership. Therefore, the issue concerning whether one should employ different measures other than MLQ, when measuring transformational and transactional

leadership remained same. The leaders who are concerned and considerate are often seen as appreciative and complimentary is also intuitively appealing (Dorfman *et al.*, 1997), so another promising agenda for researchers is to consider contingent rewards as social remuneration and compliments as a sub-dimension of transformational leadership. If contingent reward is considered a part of transactional leadership, then there is a need to redefine it as including monetary remuneration in addition to social remuneration to make the transactional relationship between leader and subordinates complete. Considering social remuneration as the sole measure of contingent rewards could not work in real organizational settings, as praise and compliments would not be sufficient reward for achieving an agreed level of performance.

Finally, although adequate effects of substitutes for leadership on subordinates' outcomes were present in both samples and their patterns of effects were similar. However, some substitutes for leadership were found more influential in Pakistan, the others in Malaysia. For example, task-provided feedback produced significant and functional effects in the Pakistan sample, while, group cohesion produced significant and functional effects on all five outcomes in the Malaysia sample. Additionally, some substitutes for leadership such as need for independence and advisory staff were found ineffective in both samples due to common cultural attribute of collectivism. As already mentioned that advisory staff outside the department could be undesirable in collectivists and high-power distant societies, therefore, in such context, the primary responsibility lies with leader to provide sufficient work-related guidance to his/her subordinates. On the other hand, if a leader is busy, and do not have time to guide subordinates, then he should develop advisory staff function within the department by pairing the less able and qualified followers with the trained and experienced employees (Dionne *et al.*, 2005). Researchers should also try to identify additional, culture-specific substitutes for leadership. For example, self-efficacy could be a substitute for leadership in egalitarian cultures and may produce significant effects on employees' behaviors, while it may not be an adequate substitute for leadership in a high-power distant society, where subordinates are expected to consult their leaders. Similarly, technology may be a substitute for leadership by detecting errors and providing directions for certain tasks, thereby increasing the managerial span of control.

8. Limitations and future research directions

Like all studies, this study has certain limitations, some of which suggest avenues for future research. First, this study used existing scales developed in a western context to measure the variables under study and used standardized English versions in both countries. However, the meanings that individuals attribute to constructs might differ based on cultural factors since culture and language are inseparable (Agar, 1994). Therefore, some of the variables may have shown good validity and reliability in the group from Pakistan, while other variables did so in the group from Malaysia. Therefore, future researchers should be careful in using the equivalent version of the survey language across the different cultures.

Second, the data on all variables were obtained from the single source, which leads to the same concerns as in the prior self-report studies, not only the common method variance but also of whether subordinates can accurately evaluate their managers' leadership styles, their organization's characteristics and their own attitudes and behaviors. Although, Harman's single-factor test and partial correlation procedure test results suggest that common method variance is not a serious problem in this study, but the collection of all data from single source poses the potential of biasing the results. Therefore, future researchers should collect data from multiple sources to overcome this issue.

Third, Malaysia and Pakistan are complex countries: Malaysia is a multi-racial country and Pakistani is a multi-ethnic country, and these elements flourish in the two countries'

sub-cultures and languages. Future researchers could incorporate multi-racial and multi-ethnic factors into their research. Further, theoretical and empirical analysis are needed to establish and test the mechanisms through which cultural orientations like high or low power distance affect the relationship between leadership styles and subordinates' outcomes.

Fourth, this study was conducted in geographical areas that are considered distinct with respect to culture, social and economic factors in comparison to the other states/provinces in both countries, and public-sector employees were predominant in the sampled groups, which could affect the generalizability of the results. Thus, future studies using improved sampling strategies are needed in order to enhance the findings' generalizability.

Final, this study did not establish or test moderating effects of substitutes for leadership on leadership styles and subordinates' outcomes in culturally specific environments. Identifying and testing such effects in high and low power distant cultures would be a promising area of inquiry for future researchers.

9. Conclusion

This study compared the applicability of the transformational leadership theory and the substitutes-for-leadership theory in Malaysia and Pakistan. The results of the study supported the culture-specific and universal position of the leadership construct. For example, transformational leadership was found to be effective in the high-power distant context of Malaysia and moderately high-power distant context of Pakistan, supporting the universal position of transformational leadership. On the other hand, the contingent punishment dimension of transactional leadership produced undesirable effects in both cultures, which supports the culturally contingent position of transactional leadership. Similarly, the substitutes for leadership independently influenced the subordinates' outcomes in culturally specific environments, although to a certain extent, the patterns of these effects were similar in both countries. Therefore, we conclude that how leadership is defined is a universal phenomenon and how it is operationalized is a culturally specific phenomenon.

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