

Course: SKOM12
Term: Jan 2025
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**Navigating Leadership in Multicultural Workplaces: The
Impact of Transformational, Transactional and Laissez-
Faire Leadership on Team Interactions**
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Master's thesis



Abstract

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As globalization increasingly shapes modern workplaces, multicultural teams have become a standard feature. While such teams bring diverse perspectives and enhance problem-solving capabilities, they also face persistent challenges in communication, trust, and collaboration. Leadership plays a decisive role in determining whether diversity fosters synergy or results in fragmentation. This study examines the impact of transformational, transactional, and laissez-faire leadership on interactions in multicultural work environments, using trust, behavioral engagement, and cognitive engagement as key measures. Findings highlight transformational leadership as the most effective style, as it fosters open communication, a shared vision, and active participation. This leadership approach cultivates an inclusive and dynamic work environment where diverse perspectives are integrated, innovation flourishes, and collaboration is sustained. In contrast, transactional leadership, while providing structure and clear expectations, proves rigid and limits adaptability, often reducing engagement to passive compliance rather than proactive collaboration. Laissez-faire leadership, despite encouraging autonomy, frequently results in disengagement, misalignment, and inconsistent participation, particularly in teams that require greater direction and support. By integrating Hofstede's cultural dimensions and Adler's cultural synergy model, this study demonstrates how transformational leadership effectively aligns with the demands of multicultural teams. The results suggest that organizations seeking to optimize performance should prioritize transformational leadership strategies that actively foster trust, enhance engagement, and leverage cultural diversity as a valuable asset, rather than relying solely on transactional structures or laissez-faire autonomy.

Keyword: multicultural teams, leadership styles, employees, trust, cognitive engagement, behavioural engagement,

*Word count:*19'965

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1. Introduction

We live in an era where global connectivity has rapidly evolved over the past century, transforming isolated regions into an interconnected world. Advances in technology have bridged geographical distances, making communication and travel more seamless than ever. As a result, human mobility has reached unprecedented levels, allowing people to relocate across borders with remarkable ease. Words and concepts relating to multiculturalism, cross-cultural interactions, and intercultural communication have assumed a highly relevant role in the majority of everyone's everyday life. Nowadays, it is common to meet and, importantly, work with individuals coming from different cultural backgrounds. Therefore, more companies and work teams have become multicultural. Belonging to a specific cultural background shapes how individuals think, act, and prioritize values. Culture profoundly influences team dynamics, as it frames perceptions, expectations, and communication styles. The increasing prevalence of multicultural teams in organizations has brought both opportunities and challenges (Stahl et al., 2010). Research has shown diverse teams benefit from a broader range of perspectives, enhancing problem-solving capabilities and fostering innovation (Cox & Blake, 1991). Additionally, research indicates that culturally diverse teams are more analytical in their decision-making processes and tend to avoid groupthink, leading to better strategic outcomes (Philips et al., 2009). On the other hand, cultural diversity also introduces significant challenges, including value-based conflicts, diverging expectations regarding communication, and varying work styles (Canney Davison & Ekelund, 2004). At the core of these challenges and benefits lies the fundamental aspect of interactions.

Social interactions in teams drive the exchange of knowledge, perspectives, and ideas, shaping the overall effectiveness of collaboration (Jehn & Bezrukova, 2004). Interactions influence trust, engagement, and the development of a shared team identity, all of which are critical in determining whether cultural diversity leads to synergy or conflict (Van Knippenberg et al., 2004). The quality and frequency of

interactions among team members determine how well they integrate diverse viewpoints, resolve misunderstandings, and build strong professional relationships (Lauring, 2012). Without effective interactions, even the most skilled and competent teams may struggle to achieve their objectives.

Workplace leaders assume a pivotal role in fostering effective social interactions within multicultural teams (Adler, 1997). They are responsible for ensuring that communication remains clear, trust is maintained, and collaboration is encouraged despite differences in cultural norms. Cross-cultural communication involves not just language but also non-verbal cues, contextual understanding, and implicit assumptions (Gudykunst & Ting-Toomey, 1988). A failure to recognize these aspects can lead to misunderstandings, inefficiencies, and even conflict. Effective leadership must encompass cultural awareness and adaptability, allowing team members to interact meaningfully and productively (Earley & Ang, 2003). Interactions are the foundation of effective teamwork, particularly in multicultural settings where differences in communication styles, expectations, and cultural norms shape workplace dynamics (Lauring, 2012). The way team members interact directly impacts trust, engagement, and overall team cohesion. Without constructive interactions, teams struggle to integrate diverse perspectives, leading to misunderstandings, misalignment in goals, and lower productivity (Jehn & Bezrukova, 2004). Leaders play a crucial role in shaping team interactions by setting the tone for collaboration and communication (Adler, 1997). They must navigate cultural differences in interaction styles, ensuring that all voices are heard and that team members feel valued (Gudykunst & Ting-Toomey, 1988). In many cases, ineffective interactions stem from misaligned expectations regarding feedback, decision-making processes, and participation (Morrison, 2011). Leaders who proactively foster open dialogue and inclusive discussions can mitigate these challenges, enabling teams to leverage their diversity as an asset (Van Knippenberg et al., 2004).

The effectiveness of interactions is also linked to how well team members build and sustain trust. Trust is developed through repeated positive interactions that reinforce reliability, competence, and mutual respect (Mayer et al., 1995). In multicultural teams, trust formation can be more fragile due to differing cultural interpretations of hierarchy, authority, and interpersonal relationships (Rockstuhl et al., 2011). Leaders who facilitate consistent, transparent, and respectful interactions

help bridge these differences, reinforcing a culture of trust (House et al., 2004). Additionally, conflict resolution is closely tied to team interactions. Multicultural teams may experience more frequent misunderstandings due to implicit cultural biases and varied communication styles (Gelfand et al., 2007). Leaders who establish clear interaction norms and encourage constructive conflict resolution strategies, such as active listening, mediation, and shared problem-solving enhance collaboration and reduce tensions (House et al., 2004). Ultimately, the quality of interactions within a team determines whether cultural diversity leads to synergy or fragmentation, underscoring the need for leadership strategies that prioritize meaningful engagement.

The role of interactions extends beyond resolving conflicts and maintaining trust; they also shape team learning and performance. Research has shown that frequent and high-quality interactions facilitate knowledge transfer, a key factor in driving team success (Dyer & Nobeoka, 2000). The ability to share expertise and integrate diverse perspectives effectively depends on the interaction climate established by leadership (Edmondson, 1999). When leaders encourage an open and psychologically safe environment, team members are more likely to engage in constructive dialogue and contribute meaningfully to group objectives (Tjosvold, 2008). Furthermore, effective interactions are essential in developing social cohesion, which influences team members' willingness to collaborate and support each other (Hackman, 2002). Studies indicate that teams with strong interaction patterns demonstrate higher adaptability and resilience in rapidly changing work environments (Salas et al., 2015). High-quality interactions also contribute to increased emotional intelligence within teams, fostering deeper mutual understanding and reducing misinterpretations (Goleman, 1998).

Organizations increasingly recognize the importance of leadership adaptability in fostering effective team interactions. Leadership development programs that focus on enhancing communication competencies and cross-cultural awareness have been linked to higher team performance, improved employee satisfaction, and stronger organizational outcomes (Thomas & Peterson, 2018). Companies that proactively invest in developing leaders who can facilitate inclusive interactions tend to achieve better collaboration and engagement among their workforce (Stahl et al., 2010). As globalization continues to reshape workplace dynamics, the need for leaders to cultivate effective interactions in multicultural teams becomes ever

more pressing. The ability to lead diverse teams successfully is not merely about managing differences but about leveraging them through dynamic and strategic interactions. Organizations that fail to recognize the significance of team interactions risk inefficiencies, disengagement, and weakened performance. Leadership, therefore, is not just about setting direction but about creating an environment where meaningful exchanges thrive, fostering a culture of collaboration and continuous learning.

1.1 Aim and Research Questions

By exploring the intricate relationship between leadership styles, trust and engagement this study aims to contribute to the growing body of knowledge on multicultural team dynamics. Identifying the specific leadership behaviors that facilitate, or hinder, effective team interactions is essential for organizations seeking to optimize their global workforce.

Hence, the study aims to focus on exploring the following research questions:

RQ1: How do different leadership styles influence social interactions among employees in multicultural teams?

RQ2: Which leadership styles hinder and/or foster team interactions and how?

1.2 Delimitations

This study focuses on the perspective of employees rather than that of leaders, emphasizing the day-to-day interactions that shape team dynamics. Leadership is often analyzed from a managerial standpoint, focusing on strategic decision-making, authority, and overarching policies. However, leadership's influence is ultimately experienced by employees in their daily interactions, shaping workplace culture, collaboration, and productivity (Chuang, 2013). Employees engage with leadership practices directly, responding to the guidance and structure imposed by different leadership styles (Bartol & Zhang, 2007). Their perspective provides a nuanced understanding of how leadership affects communication, trust, and engagement within diverse teams (Lee, Scandura, & Sharif, 2014).

Additionally, the study focuses on day-to-day interactions rather than macro-level organizational policies or leadership models in abstract terms. Everyday interactions, such as communication patterns, feedback mechanisms, and conflict

resolution serve as key indicators of leadership effectiveness (Morrison, 2011). The way employees engage with one another under different leadership styles is critical in determining team cohesion and productivity (Jehn & Bezrukova, 2004). By narrowing the focus to these micro-level interactions, this research highlights the practical realities of working within multicultural teams in dynamic work environments (Lauring, 2012).

Lastly, due to their distinct approaches to managing team interactions (Bass, 1990; House et al., 2004), the study examines three leadership styles: transformational, transactional, and laissez-faire. Transformational leadership inspires motivation and vision, transactional leadership enforces structured performance-based guidance, and laissez-faire leadership offers minimal oversight, placing more responsibility on employees for interaction and decision-making (Rockstuhl et al., 2011). By focusing on these leadership styles, the study ensures a detailed investigation into how leadership influences employee interactions, rather than attempting an exhaustive analysis of all leadership frameworks.

By defining these delimitations, this research maintains a focused, practical scope, offering insights applicable to real-world workplace dynamics and leadership's role in shaping multicultural team interactions.

2. Literature Review

Understanding how leadership shapes interactions in multicultural teams requires an examination of key theories on culture, communication, and leadership. In diverse workplaces, employees' interactions, collaboration, and decision-making are influenced by leadership approaches. While cultural diversity fosters innovation and broadens perspectives, it also introduces challenges in communication, value alignment, and group cohesion. Leadership plays a crucial role in managing these dynamics, shaping trust, engagement, and teamwork.

This chapter explores how leadership influences multicultural team interactions. The first section examines culture and behavior, focusing on how cultural dimensions shape perceptions and workplace interactions. Theories from Linton, Lotman, and Habermas provide insight into the fluid and constructed nature of culture. The second section highlights multiculturalism's impact on workplaces, showing how increasingly diverse teams require effective leadership strategies to foster collaboration. Finally, the chapter explores leadership styles and team dynamics, analyzing their effect on trust, engagement, and overall performance. These insights establish a foundation for understanding how leadership can either enhance or hinder social interactions within diverse teams.

2.1 Culture: a Key Component in Multicultural Teams

In order to be able to understand the challenges that teams composed of members from different backgrounds face, it is necessary to consider the role that culture plays. Culture is a complex and multifaceted phenomenon that can be explained by considering different theories and perspectives. Most importantly, though, it is important to note that culture is a human construct. Therefore, when considering an intercultural environment a necessary step is to understand and perceive the world through human behavior and interaction.

Many cultural theories share the standpoint that collective human behavior is the core of culture. The peculiarity that each social system and societal structure have

will reflect and contribute to the creation of distinct cultures. Growing up in a culture holds an important significance in the life of a human in the sense that the individual, during their socialization process, will observe and absorb a specific code of rules, written or not, behavioral patterns, and ways of thinking. It has been observed, though, that some behaviors are common and shared among all cultures. Those patterns take the name of universal, even if they may prevail in some cultures and are hindered or suppressed by others (Groh, 2020). The next paragraph will dives into several theories and perceptions of culture and its influence on people by focusing on three main aspects: behavioral patterns, language and communication.

Culture is not an abstract, monolithic concept but a lived and evolving reality, shaped by interactions between individuals and their environment. Linton (1938) emphasizes that people are influenced not by culture in general but by “a particular culture” that defines their behaviors, values, and attitudes (p. 425). He differentiates between culture as a broad phenomenon so the sum of all existing cultural expressions, and specific cultural systems, where behaviors and traditions are enacted and transmitted within a community. While culture provides structure, it is not static; it shifts as individuals interact, adapt, and reshape norms.

Cultural interactions form the basis of social relationships. Over time, mutually understood behaviors become deeply ingrained, shaping a society’s collective identity. However, Linton notes that cultural values and attitudes do not hold equal weight in every context; some are “dominant, subtle, or dormant”, depending on social norms and historical conditions (Linton, 1938, p. 425). As individuals navigate cultural spaces, they interpret and react differently based on their backgrounds. Culture, therefore, frames behavior, providing a predictive model for how people engage with their surroundings. Still, Linton acknowledges cultural fluidity, recognizing that some individuals exhibit “mixed personalities or borderline cultural combinations” that challenge traditional expectations (p. 425). This complexity underscores the interplay between cultural identity and social adaptation.

The connection between culture and social roles further reinforces this dynamic. Linton defines society as “any group of persons that live and work together”, highlighting the role of interaction in cultural transmission (Linton, 1938, p. 427). Within this framework, societies function through a division of labor, where individuals assume roles not solely by choice but based on cultural expectations.

These roles are learned through socialization and reinforced through interactions, shaping the way people perceive identity, behavior, and their place within a group. Semiotics further explains how cultural meaning is constructed and shared. Signs and symbols, whether linguistic, visual, or behavioral, carry meaning not inherently but through social interpretation (Chandler, 2022). As Eco (1976) asserts, language serves as “the primary system through which meaning is organized and communicated” (p. 11). Lotman (1967) expands this idea, defining culture as “the totality of non-hereditary information acquired, preserved, and transmitted by various groups of human society” (p. 213). Culture is therefore a social process, continuously evolving as individuals interact and exchange meaning. Lotman (1990) introduces the concept of the semiosphere, a space where different cultural systems interact and shape communication. These intersecting cultural environments generate a dual process: individuals express their unique perspectives, while also seeking common ground to foster understanding (Lotman, 2005). Within this fluid exchange of meaning, cultural identities are not fixed but negotiated through dialogue.

The public sphere, as conceptualized by Habermas (1962), represents another crucial space where culture and interaction shape society. He describes it as a forum where individuals engage in rational discourse, independent of state and economic control, fostering the formation of public opinion. However, access to these spaces has historically been unequal, with participation restricted by gender, social status, and power structures (Negt & Kluge, 1972; Landes, 1988). Habermas later developed discourse ethics, arguing that meaningful interaction requires open, rational communication (Habermas, 1981). He defines discourse as “a structured, argument-based process aimed at achieving rationally motivated agreement” (p. 238). For discourse to be truly effective, participants must communicate truthfully, provide justification for their claims, and engage in open discussion free from coercion (Habermas, 1983). By fostering open dialogue, individuals and cultures continuously negotiate meaning, reinforcing the dynamic and interconnected nature of social interaction.

2.2. Multiculturalism in Global Workplaces

Multiculturalism assumes a key position in theories and discourses about culture. The term is synonymous with environments where several specific cultures are present and coexist in proximity, to ‘social arrangements characterized by cultural diversity’ (Pedersen, 1999, p. 19). Moreover, it is necessary to highlight the difference between multicultural processes and multicultural structures. The former refers to the reactions that groups and single individuals present when in culturally heterogeneous settings while the latter recalls the socio-political organization of a given society and defines the operative side of multiculturalism. A multicultural society can follow either a melting pot or a mosaic pattern of integration based on how the distinct cultures mix. In the first case, the melting pot, the policies push to blend all the present cultures to create a new mixture that will eventually replace the existing culture. In this process, though, the dominant culture tends to prevail over the less dominant ones due to holding more institutional power, controlling the language and the media and dictating social norms (Bochner, 1986). The mosaic approach, on the other hand, encourages a process of integration that does not aim to change any core aspects of any culture but sees how the combination of them creates a bigger and more diverse picture.

2.3 Working in Multicultural Contexts

Organizations function through groups, which serve as their foundational framework and define their internal structure as “organizations consist of groups, and groups form the basic structure of organizations” (Adler, 1997, p. 46). Whether temporary or permanent, groups vary in performance, not due to inherent strengths or weaknesses, but based on how tasks are allocated, communication is maintained, and group dynamics evolve (Likert, 1961). Groups function as the internal framework of companies, whether temporary or permanent, and their effectiveness is not inherently good or bad but rather defined by task allocation, communication, and group dynamics (Likert, 1961). The goal assigned to a team determines the division of tasks, while the resources such as materials, time, finances, information, and individual skills shape the team’s ability to meet its objectives (Adler, 1997). Achieving team goals is a process that involves both intrapersonal and interpersonal dynamics, influencing productivity through motivation, frustration, and collaboration (Steiner, 1972). Success depends on how well members utilize

resources and engage with one another (Adler, 1997). Moreover, groups are shaped by organizational structures, which define decision-making processes, power distribution, and levels of autonomy (Bass, 1966). The way leadership interacts with teams directly influences group cohesion and effectiveness. Leadership styles, whether transformational, transactional, or laissez-faire, set the tone for collaboration, motivation, and communication within diverse teams (Northouse, 2022).

Teams can be composed of individuals who share similar backgrounds or include members with diverse cultural, professional, and experiential perspectives (Bass, 1966). Diversity spans across nationality, race, profession, gender, and age (Ziegler, 1981). Based on cultural composition, teams can be homogeneous, where all members share the same cultural background, or multicultural, where at least two different cultures are represented (Adler, 1997). Multicultural teams fall into three categories: token teams, with a single culturally distinct member; bicultural teams, where two cultures are represented with more than one member per culture; and multicultural teams, which include members from three or more cultural backgrounds (Adler, 1997). Multicultural teams offer both advantages and challenges. They enhance creativity and innovation but can also struggle with cohesion, communication, and trust (Stahl, Maznevski, Voigt, & Jonsen, 2010). Bachmann (2006) highlights that multicultural teams excel in problem-solving, as they draw from a broad range of perspectives, increasing engagement and adaptability. Also, diversity alone is insufficient for success. A key factor in determining the effectiveness of diverse teams is the ability to bridge cultural differences through structured communication, inclusive leadership, and shared team norms (Hofstede, 1980). Without these, conflicts may arise due to differing expectations regarding hierarchy, communication styles, and decision-making processes (Trompenaars & Hampden-Turner, 1997).

One of the main obstacles in multicultural teams is communication difficulty due to cultural distance. Cultural distance theory asserts that “communication difficulties among individuals increase in proportion to their cultural differences” (Babiker, Cox, & Miller, 1980, p. 76). Variations in language, behavior, and expectations impact how individuals interpret interactions and approach collaboration. According to the similarity-attraction hypothesis, individuals naturally gravitate toward those who share their values and

perspectives, which can hinder intercultural integration (Byrne, 1969). Linguistic diversity presents an additional challenge, as language barriers slow communication and increase misunderstandings (Hayles, 1982). Members with limited proficiency in the team's working language may hesitate to participate, leading to unbalanced discussions and reduced engagement (Hayles, 1982). Furthermore, disagreements over meaning, event attribution, and decision-making frameworks exacerbate miscommunication (Hayles, 1982). This leads to increased stress and frustration, particularly for members who struggle to express their thoughts effectively, creating power imbalances and disengagement (Oberg, 1960). In an increasingly multicultural workforce, organizations must develop intercultural competence to navigate these challenges. Training programs that focus on cultural awareness, inclusive communication, and conflict resolution can help teams build mutual understanding and trust (Gudykunst, 2005).

Group dynamics are crucial in multicultural settings as they influence trust, engagement, and collaboration (Cronin, Weingart, & Todorova, 2011). These dynamics include norms, cohesiveness, conflict resolution, leadership roles, group identity, and overall effectiveness (Klep, Wisse, & Van Der Flier, 2011). Stahl et al., (2010) categorize group processes as either diverging or converging, both of which can positively or negatively impact performance. Diverging group dynamics occur when team members' perspectives clash, leading to either innovative brainstorming or disruptive conflict (Stahl et al., 2010). While differing viewpoints foster creativity, unresolved conflicts hinder cooperation and productivity (Foldy, Rivard, & Buckley, 2009). If miscommunication and cultural power imbalances persist, members may withdraw or disengage, weakening the team's performance. This issue is further complicated when cultural differences influence perceptions of leadership, hierarchy, and decision-making processes, creating misalignment in expectations (Hofstede, 1980). Conversely, converging group dynamics emerge when members align their goals, values, and work styles, resulting in stronger cohesion and efficiency (Stahl et al., 2010). Brett, Behfar, and Kern (2006) emphasize that converging teams communicate more effectively, enhancing problem-solving and cooperation. However, subgroup formation is a risk, as individuals tend to seek out those from similar cultural backgrounds, reducing overall team integration (Foldy, 2004).

Trust is essential in diverse teams, yet it is easily undermined by misinterpretation rather than actual conflict (Adler, 1997). Lack of trust leads to disengagement, stress, and lower collaboration (Adler, 1997). Social stress manifests as “bickering, single-culture dominance in discussions, disengagement, and stubbornness” (Hayles, 1982, p. 27). To compensate for trust issues, members often default to excessive politeness, limiting genuine communication (Rombauts, 1962). These stressors can ultimately affect team performance, job satisfaction, and overall organizational success (Jutengren, Jaldestad, Dellve, & Ahlberg, 2020). Organizations that prioritize psychological safety, encourage open dialogue, and invest in cultural awareness training create environments where diverse teams can thrive. By recognizing and addressing these challenges, teams can leverage cultural diversity as a strategic advantage rather than a hindrance (Nor & Hassan, 2023).

2.4 Interactions in Multicultural Teams

In multicultural teams, interactions are primarily measured through three key dimensions: trust, behavioral engagement, and cognitive engagement. Trust refers to the confidence that the team members lie in each other’s reliability, integrity and competence, allowing open communication and collaboration (Mayer, Davis & Schoorman, 1995). Behavioral engagement considers active participation in the team’s activities, discussion, and decision-making, therefore reflecting members’ commitment and involvement (Fredricks, Blumenfeld & Paris, 2004). Cognitive engagement involves the mental investment in problem-solving, learning, adapting to new perspectives, fostering innovation and effective teamwork (Chi & Wylie, 2014). These dimensions are critical in order to understand how diverse team members collaborate and influence the overall performance of the team (Poort, Jansen & Hofman, 2022).

Trust is essential for effective collaboration in multicultural teams, as it supports communication, knowledge-sharing, and team cohesion (Mayer et al., 1995). Misunderstandings in intercultural contexts are common due to language differences, cultural norms, and varying communication styles, making interaction a key factor in building trust (Mühl, 2014). Teams that engage in frequent and open interactions are more likely to develop trust, as communication helps reduce uncertainty and increase predictability (Mayer et al., 1995). Interaction also fosters

a transparent and inclusive environment: when members share knowledge, clarify expectations, and engage in meaningful discussions, they are more likely to see each other as competent and reliable (Mühl, 2014). Moreover, transparency in communication and openly sharing information further reinforce trust, making team members feel valued and part of an equitable system (Mayer et al., 1995).

Furthermore, interaction helps to overcome barriers given by cultural dissonance, which refers to differences in perception, thinking and behaviors across cultures. Indeed without sufficient interaction, cultural distance may be perceived as a barrier, leading to lower trust levels and reduced willingness to collaborate (Mühl, 2014).

Behavioural engagement in multicultural teams is largely influenced by how included and valued members feel. Interactions help foster this engagement by allowing individuals to actively participate in discussions, contribute to decision-making, and share their perspectives. When team members experience a high level of inclusivity, they tend to invest more in collaboration and align themselves with team goals. High levels of behavioural engagement in diverse teams lead to better performance, as individuals become more committed to achieving objectives when they experience meaningful social connections (Mühl, 2014). Additionally, participating in team discussions is a key behavioural component of engagement: teams that encourage inclusive participation are more likely to create an environment of mutual respect and collaboration. When interaction is limited or restricted by hierarchical structures, some members may feel excluded, leading to disengagement and lower team cohesion (Van Knippenberg, De Dreu, & Homan, 2004).

Another key factor that influences behavioral engagement is the presence of trust triggers such as reciprocity, goodwill and predictability. In the cases where team members feel that their contributions are reciprocated and their perspectives acknowledged, they are more likely to actively engage in the team activities (Mühl, 2014). Moreover, trust enhances morale and participation in the decision-making processes, leading to greater commitment to the team's objectives (Yu et al., 2013).

Cognitive engagement in teams is closely linked to the quality of interaction within the team as it refers to the mental investment and intellectual involvement of the members in achieving shared goals. Frequent and meaningful interactions enhance cognitive engagement by promoting deeper understanding, knowledge

sharing, and critical thinking (Mühl, 2014). Effective interactions in multicultural teams help bridge gaps between members by facilitating open communication and reducing misunderstandings. The exchange of ideas allows individuals from different cultural backgrounds to contribute with their unique perspectives, leading to more innovative problem-solving approaches (Yu et al., 2013). Therefore, when individuals feel that their expertise is recognized and valued they are more likely to invest cognitively in team activities. However, cognitive engagement can be hindered by communication barriers given by language differences, stereotypes and different communication styles. The lack of clarity in interactions can then lead to misinterpretations that reduce cognitive engagement and overall team effectiveness (Mühl, 2014). Teams that prioritize clear and structured interactions are more likely to be successful in fostering cognitive engagement.

Therefore, as interaction serves as a foundation for trust-building, which enhances both behavioral and cognitive engagement, it is relevant to consider and analyze the main styles of leadership that work groups adopt in order to understand how they affect them.

2.5 Leadership and its Role in Multicultural Teams

Leadership is defined as the “process whereby an individual influences a group of individuals to achieve a common goal” (Northouse, 2022, p. 59). In the workplace, effective leadership is crucial as it impacts employee motivation, shapes team dynamics, and determines organizational success. The definition emphasizes the significance of the group component, stressing that all members must share a common aim, without imposing restrictions on the number of members or their personal qualities. This inclusivity allows for diverse groups, including those with varied cultural backgrounds, to work collaboratively towards a mutual goal, fostering innovation and a broad range of perspectives.

Both leaders and followers play equally important roles in the leadership relationship, and they must be understood in relation to each other (Hollander, 1992) and as a collective (Burns, 1978). Leaders can be categorized as either assigned or emergent. Assigned leaders hold formally designated positions, such as team leaders or directors, while emergent leaders gain recognition through communication and social validation (Northouse, 2022). Various leadership styles

are employed to inspire followers, provide guidance, and execute strategies. These styles encompass a range of behaviors, management skills, and communication techniques aimed at achieving objectives (Kotter, 1996).

Leadership styles are particularly relevant in multicultural workplaces, which consist of individuals from diverse cultural backgrounds with differing communication needs and expectations (Earley & Ang, 2003). Livermore (2010) highlights that such diversity can lead to misunderstandings, differences in work styles, and communication barriers. Effective leadership styles are essential for fostering an environment that promotes creativity, trust, and inclusion, thereby leveraging multiculturalism to achieve common goals. According to Giles, Coupland, and Coupland (1991), open communication and cultural sensitivity can help mitigate conflicts and enhance collaboration. Northouse warns that a culturally insensitive leader can impede team integration and exacerbate miscommunication and misunderstandings.

3. Theoretical Framework

This chapter outlines the theoretical framework used to analyze how the three investigated leadership styles, transformational, transactional, and laissez-faire, shape interactions in multicultural teams, integrating Adler's (1980) concept of cultural synergy and Hofstede's (1980) cultural dimensions.

3.1 Leadership Styles

The leadership styles analyzed and applied in this thesis are transformational, transactional, and laissez-faire leadership, as they are particularly relevant to multicultural workspaces. Transformational leadership motivates and inspires employees by creating a vision and encouraging innovation. Transactional leadership focuses on clear structures, rewards, and penalties. Laissez-faire leaders have a hands-off approach that encourages followers to take responsibility. By exploring these styles, this research aims to provide insights into effective leadership practices in diverse, multicultural settings.

3.1.1 Transformational Leadership

Today, transformational leadership is one of the most popular approaches to leadership (Northouse, 2022). It partakes in Bryman's 'New Leadership' (1992) paradigm due to its emphasis on charisma and effectiveness. As the name suggests, transformative leadership is a process that aims to transform followers by considering their needs and motives. The result is a leader who is aware of feelings, values, effective communication, and long-term goals, and who, ideally, will lead to exceeding the followers' own expectations toward a common end goal (Kouzes & Posner, 2017). Transformational leadership is based on four main factors: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. Idealized influence, as Antonakis (2012) would define it, is the emotional component that sees the leader as a strong and respectable role model who holds high moral standards and behaves accordingly, allowing

followers to trust and rely on them. Inspirational motivation concerns the leader's ability to communicate their vision and expectations, while the third focuses on stimulating the followers' creativity and innovative problem-solving solutions. Individualized consideration is oriented to the awareness of followers' needs in order to foster a safe and supportive environment and to provide ad hoc suggestions for every member's necessity. Motivation and followers' development are the key aspects of transformational leadership that are most at use in today's workspace since the lack of certainty and motivation scourge work groups (Bass & Riggio, 2006).

3.1.2 Transactional Leadership

The transactional leadership approach focuses on building an exchange system with the followers that benefits both their and the leader's agenda (Kuhnert, 1994). As the name suggests, this style is similar to a transaction in which every positive action from the followers is rewarded by the leader while the negative ones are punished. Transactional leaders do not prioritize the individualization of members' necessities and personal development (Northouse, 2022). The bond that links followers to their leader is based on the members' impression that pleasing and behaving according to the leader's request is the most beneficial strategy to obtain and reach their goals (Kuhnert & Lewis, 1987). The transactional leadership style is based on two distinct pillars: contingent reward and management by exception. The former comprehends and follows a process of negotiation in which both parties, the leader and the followers, communicate and agree on what is expected of them, their work, and what rewards are in place. It follows that the concurred remunerations are granted by the leader once the condition of the negotiations are met and, in the cases in which followers' perception of the leader-followers bond is high-quality their worth will be valued more (Notgrass, 2014). The ladder enables a system that supports the leader's use of negative feedback, corrective criticism, and negative reinforcement. This may be conducted either in an active form, when the corrections are given promptly and swiftly, or in a passive mode that concurs with a lack of upfront and timely communication.

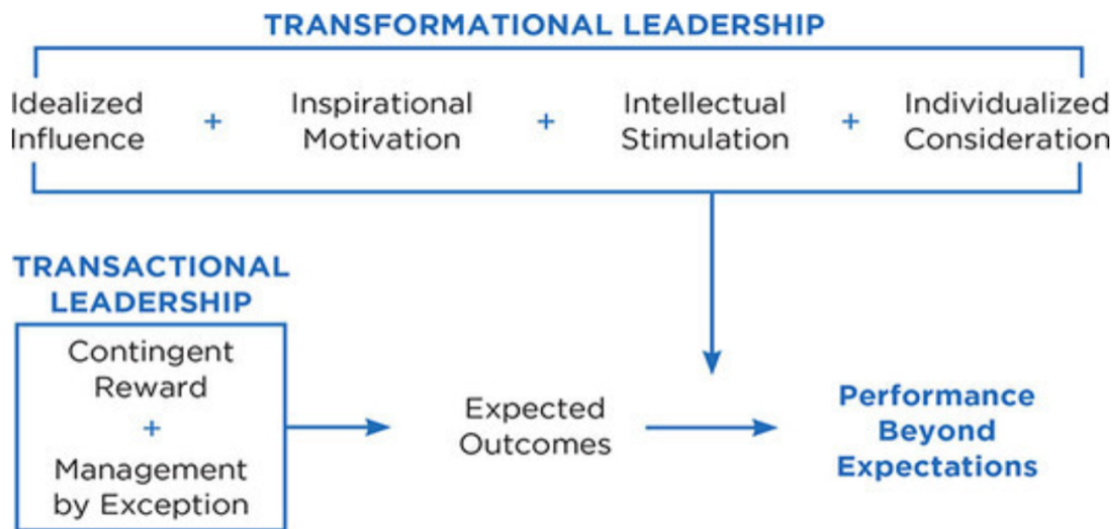


Fig. 1 *The Additive Effect of Transformational Leadership*. Reprinted from *Leadership: Theory and Practice* (9th ed., p. 274), by P. G. Northouse, 2022, SAGE Publications. Copyright 2022 by SAGE Publications.

3.1.3 *Laissez-Faire Leadership*

The third and last leadership style is Laissez-Faire. Translated directly from French, it means ‘allow to do’, this style embraces a hands-off approach. Leaders delegate decisions, abdicate responsibility, and do not provide followers with support, feedback, and motivation (Northouse, 2022). This style has had primarily a negative conception since it was linked to an increase in employees’ stress and demotivation (Judge & Piccolo, 2004; Kelloway et al., 2005). However, in recent years, laissez-faire leadership has started to be re-evaluated. Yang (2015), in his conceptual exploration, suggests that the laissez-faire approach may actually empower followers by shaping their self-determination, self-competence, autonomy, confidence, and overall skills. Some studies indicate that its impact depends on the context and employees’ expectations. While it can create confusion for those who seek structured guidance, it may benefit individuals who excel with independence (Desgourdes et al., 2024). Research has also highlighted the role of autonomy as a mediator: employees with a strong sense of self-direction respond more positively to this leadership style (Kamal et al., 2024). Rather than being inherently ineffective, laissez-faire leadership appears to yield different results based on how it aligns with team dynamics and organizational needs.

3.2 The Cultural Synergy Model

Cross-cultural interactions characterize multicultural work environments, and one of the approaches to deal with them is cultural synergy. This approach was proposed by Nancy Adler in the early 1980s who sees it 'as a process in which organization policies and practices are formed on the basis of, but not limited to, the cultural patterns of individuals' (Adler, 1980). Therefore, the management approach does recognize and accounts for both the differences and similarities of all the cultures of the organization and the team. The ultimate goal of the synergy model is to see cultural differences as a resource for the organization's development (Adler, 1980). Also, the model focuses on exploring the cross-cultural interactions of, especially, the company's employees (Adler, 1984). As the key concept of the cultural synergy model is to respect, value, and recognize each other's viewpoints, the produced policies and practices of the company are based on the widest range of possibilities to better suit every worker. Ideally the organization's structure reflects the best aspects of all the members' cultures and does not violate the norms of any single one of them. Moreover, another positive of the model is that the proposed and applied structure does not, or has, minimal resistance from the employees since it takes the best out of every present culture in the organization while being aware and respectful of all the differences.

The model has four specific pillars: heterogeneity, differences and similarities, equifinality and cultural contingency (Adler, 1997). Heterogeneity refers to the assumption that every individual is different and that every group in a society has its own characteristic cultural distinctiveness. Second, the model sees both likeness and dissimilarities as being of the same level of importance. Equifinality is opposed to parochialism which condones only one possible way of conducting situations and viewing the world. The model's premise accepts that the multiple different possibilities to reach a final goal are all equally valid. Fourth, the best way to meet the wanted result is dependent on the culture of the people involved in the goal (Adler, 1997).

As previously highlighted, this paradigm is based on understanding cross-cultural interaction to be cognizant of how and when to use strategies of pluralism, geocentric patterns and the creation of synergy. Strategies of pluralism can be

utilized in situations where culturally specific patterns of management are seen, and the organization is foreign to each culture involved. Geocentric patterns emerge when universal management traits and the creation of synergy occur, leveraging both cultural similarities and differences. These patterns are conceptualized and validated as effective in contexts that integrate multiple cultural perspectives (Adler, 1984). The creation of new patterns is central to this model and refers to recognizing cultural differences and similarities in order to devise and plan a managerial strategy that could suit everyone involved, aiming for the creation of new working patterns. The culturally synergistic problem solving happens in four different phases (Adler, 1997). The first step is to describe the situation, being able to recognize the dilemmas and problems, both of the organization and the managers, and then critically considering all the perspective that the various involved cultures may have. Secondly, after the situation has been properly framed, the reasons behind how the different involved cultures feel, act and think has to be understood and interpreted. Third, an answer to the initial problem is sought and a solution, which is mindful of the previous reasoning and findings, is given. The resolution must be novel and transcendent of the analyzed cultures (Adler, 1980). Lastly, the new protocol is implemented. This last step may be challenging in cases where employees do not understand the reason behind the need to apply new methods. In order for organization members to acknowledge this necessity and not deem it as absurd, employees must develop self-awareness, the understanding of their own behavioral patterns and cultural assumptions, and cross-cultural awareness, the comprehension of others' cultural patterns and assumptions (Adler, 1980).

The search for balance in the organization is also a priority that seeks to find the equilibrium between pluralistic, so culturally specific, and geocentric, universal, organizational patterns (Adler, 1984). Therefore, the synergistic model conveys the assumption that multinationals and multicultural companies 'must use a manager-created balance between specific and general approaches' (Adler, 1984, p. 60). Thus, more and different leadership styles are possible.

3.3 Hofstede: Software of The Mind and the Cultural Dimensions

The Dutch social psychologist Geert Hofstede (1980) introduced his thesis on mental programs and dimensions of culture in the 1980s. Hofstede compares culture to mental software, as he uses the analogy that the way computers are programmed resembles the human's patterns of acting, thinking, and feeling (Hofstede et al., 2017). These mental programs are also referred to as "software of the mind" and, even if similar to a computer's programming, they are not as definitive and strict. Human behavior has an unscripted component that is impossible to predict confidently, so the programming only refers to 'what reactions are likely and understandable, given one's past (Hofstede et al., 2017, p.5). Culture, or mental programming, is acquired through the social environment in which one grew up and all the collected life experiences: from families to neighborhoods, schools and workplaces, youth groups, and living communities (Hofstede et al., 2017). In mental programming, Hofstede differentiates three different levels of uniqueness: human nature, culture and personality. The first level, human nature, encloses 'the universal level in one's mental software' (Hofstede et al., 2017, p. 6). Therefore, it includes the human abilities that are common to all, such as the possibility to feel emotions, the need for sociality and the ability to observe their surroundings and share their impressions. The second level, concerning culture, refers to how an individual expresses themselves, feels and acts. Also, these learned behaviors are specific from group to group (Hofstede et al., 2017). Lastly, the level of personality considers the unique set of traits that an individual partly inherits and partly learns and modifies based on their specific life experiences and culture.

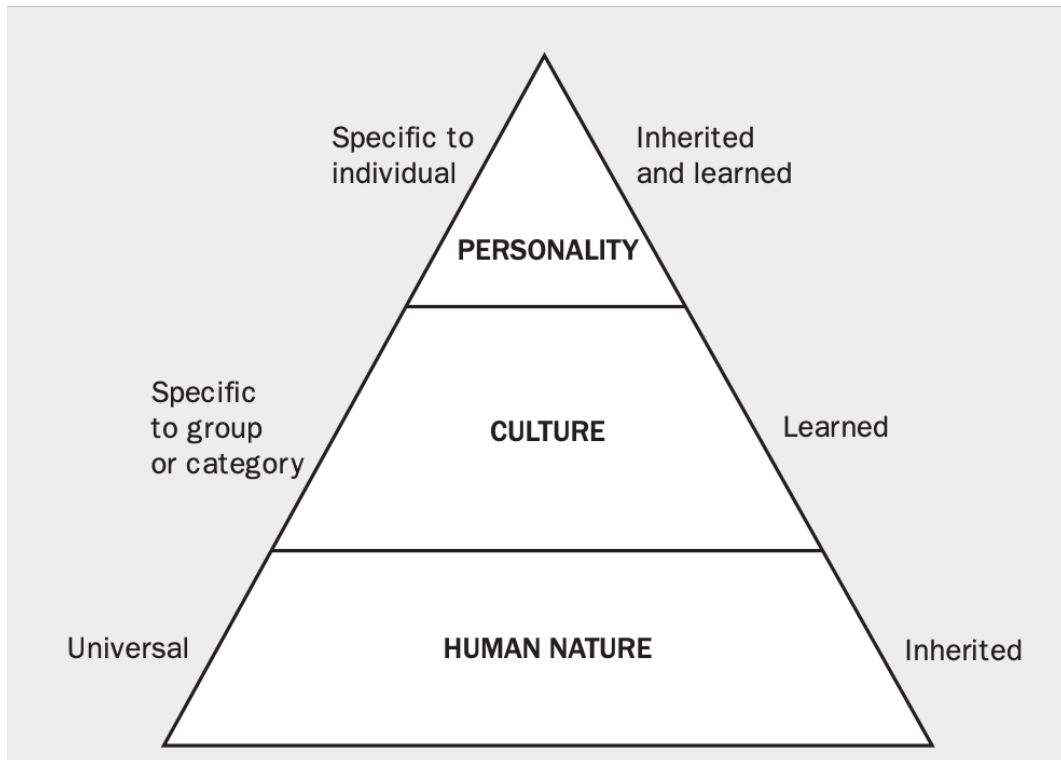


Fig. 2 Three Levels of Uniqueness in Mental Programming. Reprinted from *Cultures and Organizations: Software of the Mind* (3rd ed., p. 6), by G. Hofstede, G. J. Hofstede, & M. Minkov, 2017, McGraw-Hill. Copyright 2017 by McGraw-Hill.

Hofstede identifies six dimensions to analyze and define national culture: power distance index PDI, collectivism versus individualism IDV, uncertainty avoidance index UAI, motivation towards achievement and success (previously known as masculinity versus femininity) MAS, long-term versus short-term orientation LTO, and indulgence versus restraint IVR (Hofstede et al., 2017).

The PDI, power distance index, refers to how different societies handle inequalities and how members accept and expect the unequal distribution of power in organizations and institutions. The less powerful members describe the power distance based on their value system, as they are the ones condoning the subordinate relationships (Hofstede et al., 2017). In the workplace, organizations with a large-power-distance situation highlight the consideration that superiors and subordinates are seen as unequal and that their hierarchal system mirrors it. The power is centralized in fewer individuals, there is a wide salary gap between the top and the bottom of the organization, workers have generally lower levels of education, and manual labor assumes a lower status than office work. Moreover, the company

presents a tall hierarchal structure with a large number of supervisors. Subordinates are expected to be instructed continuously, and superiors are both entitled to privileges and the ability to initiate interactions with subordinates (Hofstede et al., 2017). Subordinates generally feel the most comfortable with a leader who they respect and can be seen as a benevolent autocrat, and the interactions between subordinates and superiors are ‘frequently loaded with emotions’ (Hofstede et al., 2017, p. 73). In small-power-distance companies, subordinates and superiors see each other as equals, and the difference in roles is just a convention established out of convenience that can be easily reversed. The organization is decentralized and presents a small range of salaries and a flat hierarchal pyramid. Workers are highly qualified and judged based on their skills rather than their roles and their ideal boss is regarded as a resourceful democrat (Hofstede et al., 2017).

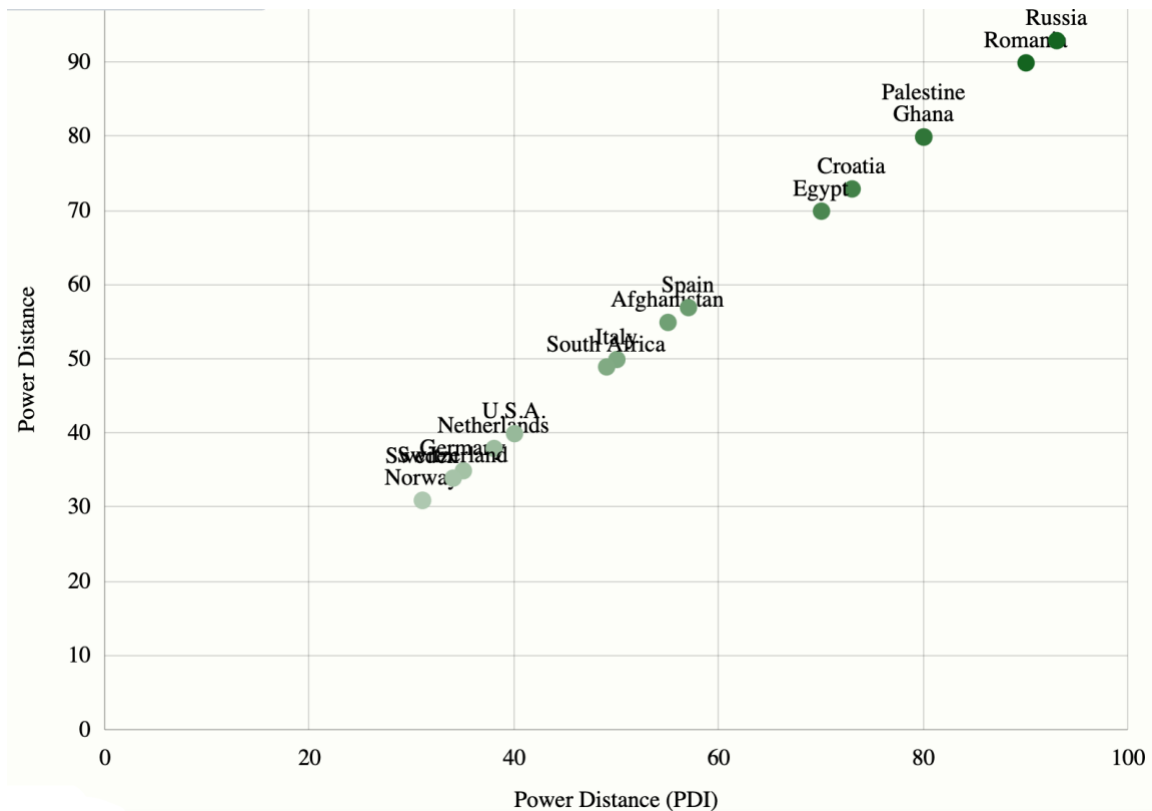


Fig. 3 Hofstede's PDI of the countries most relevant to the study Adapted from Hofstede's Globe, by Hofstede Insights, n.d., Geert Hofstede Exhibition Website (<https://exhibition.geerthofstede.com/hofstedes-globe/>). Copyright by Hofstede Insights.

The IDV, individualism versus collectivism dimension, defines society as either individualistic, with loose ties between individuals and others who are not their

selves or their immediate family, or collectivistic, where an individual will be loyal to their cohesive in-group (Hofstede et al., 2017). In an individualist context, workers value personal time, a job that does not patronize free time for private or family life, freedom to adopt a personal approach to the job, and a challenging workplace that can feed personal ambitions; while in a collectivist pole, employees prioritize training opportunities to improve and learn new skills, good physical working conditions and a role that fully use their abilities (Hofstede et al., 2017). Additionally, in a collectivist society, the hiring process takes into consideration the in-group as the general preference is to hire relatives of the employer or of other company's workers while in an individualistic society, this is considered undesirable as it may lead to nepotism and a conflict of interest (Hofstede et al., 2017). Collectivist workplaces oftentimes resemble a family relationship with a mutual obligation of loyalty between employer and employee while, on the other hand, in individualistic scenery, the relationship is perceived as a business transaction in a labor market (Hofstede et al., 2017). Also, individualistic organizations are more likely to hire employees from different ethnic backgrounds and in-groups (Hofstede et al., 2017). Another difference stems from the delivery of feedback and criticism. In collectivist organizations, discussing a worker's performance clashes with the overall harmony, so a subtle and indirect delivery is needed (Hofstede et al., 2017). Lastly, an individualist company values tasks over personal relationships while the opposite is true for a collectivist one (Hofstede et al., 2017).

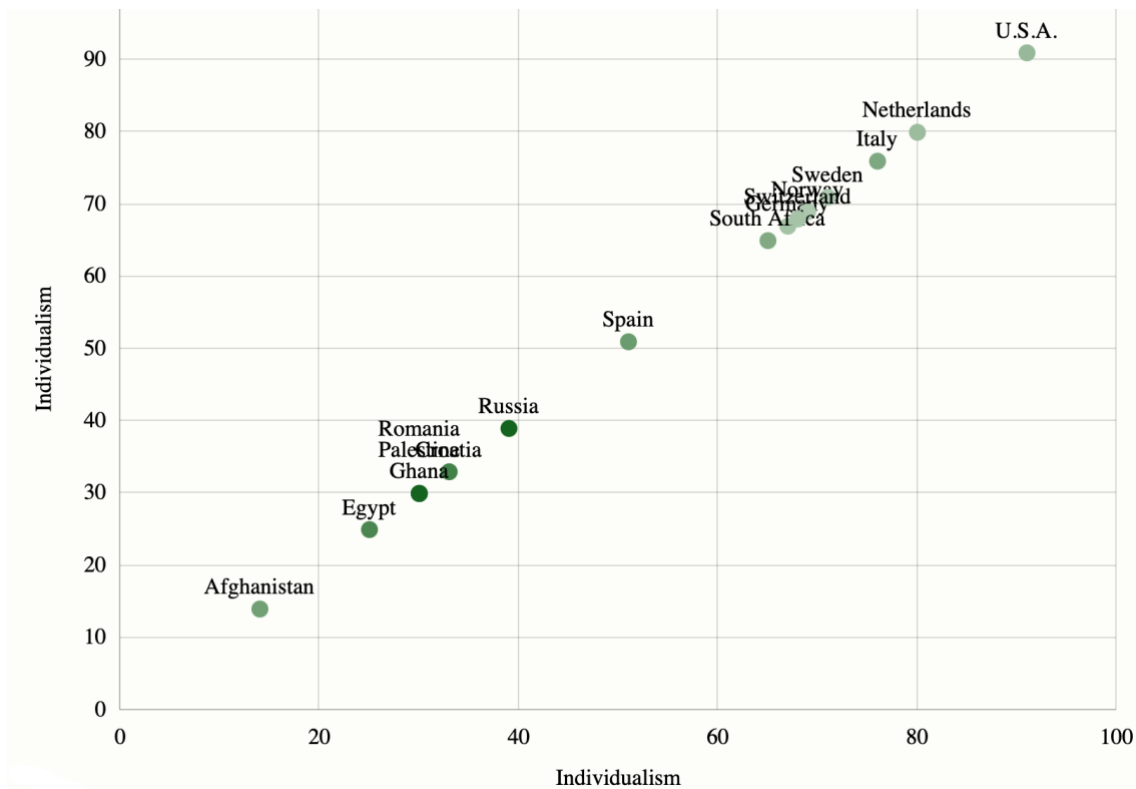


Fig. 4 Hofstede's IDV of the countries most relevant to the study Adapted from Hofstede's Globe, by Hofstede Insights, n.d., Geert Hofstede Exhibition Website (<https://exhibition.geerthofstede.com/hofstedes-globe/>). Copyright by Hofstede Insights.

MAS associates the masculine pole as the prioritization of the opportunity for higher earnings, of the recognition on a job well done, of the opportunities to advance in a higher-level job, and to have challenging tasks. On the other hand, the feminine pole values a good and healthy working relationship with the direct leader, cooperation between all the team members, living in a desirable area and employment security (Hofstede et al., 2017). The differences concerning the mental programming of this dimension is not only social but rather emotional as societies are considered masculine in cases where emotional gender roles are distinct and feminine when these roles overlap (Hofstede et al., 2017). The MAS dimension affects how conflicts are handled: in masculine organizations conflict is resolved through conflict while in feminine companies, compromising and negotiations are preferred (Hofstede et al., 2017). Moreover, masculine paradigms stress results and

have a reward system based on equity while feminine organizations' rewards are more likely to be on equality (Hofstede et al., 2017).

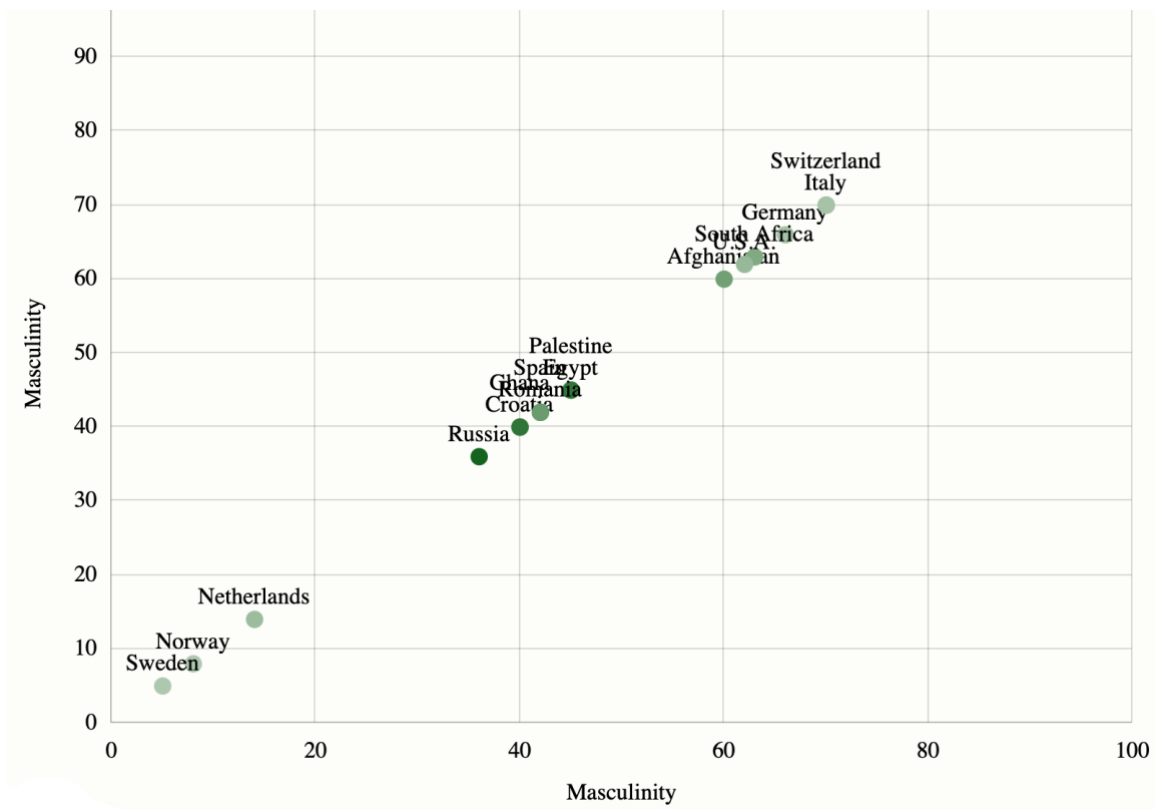


Fig. 5 Hofstede's MAS of the countries most relevant to the study Adapted from Hofstede's Globe, by Hofstede Insights, n.d., Geert Hofstede Exhibition Website (<https://exhibition.geerthofstede.com/hofstedes-globe/>). Copyright by Hofstede Insights.

UAI refers to the uncertainty of situations, and since it recollects a feeling, it is nonrational and heavily influenced by an individual's perception of danger and also from the collective pattern behaviors of one's society (Hofstede et al., 2017). The feeling can be described as 'the extent to which the members of a culture feel threatened by ambiguous or unknown situations' (Hofstede et al., 2017, p. 191) and can be translated into a worker who needs the predictability of clear written and unwritten rules. Employees who are subject to feel higher levels of uncertainty will prefer a long-term employment in companies with more and stricter internal regulations and a controlled work process. This tight structural organization oftentimes leads to rule-oriented behaviors that are solely ritualistic, inconsistent and even dysfunctional (Hofstede et al., 2017). A link between high levels of

anxiety and high uncertainty avoidance has been found, showing how emotionally linked the index is. Moreover, in the workplace, it can be seen how, in a strong uncertainty-avoidance society, workers need to be always busy, and the tasks are hurried, while in a weak uncertainty-avoidance situation there is not a constant urge to work and relaxation is highly valued (Hofstede et al., 2017). Uncertainty-avoidance workplaces hire more specialists while uncertainty-accepting organizations value common sense and general knowledge (Hofstede et al., 2017).

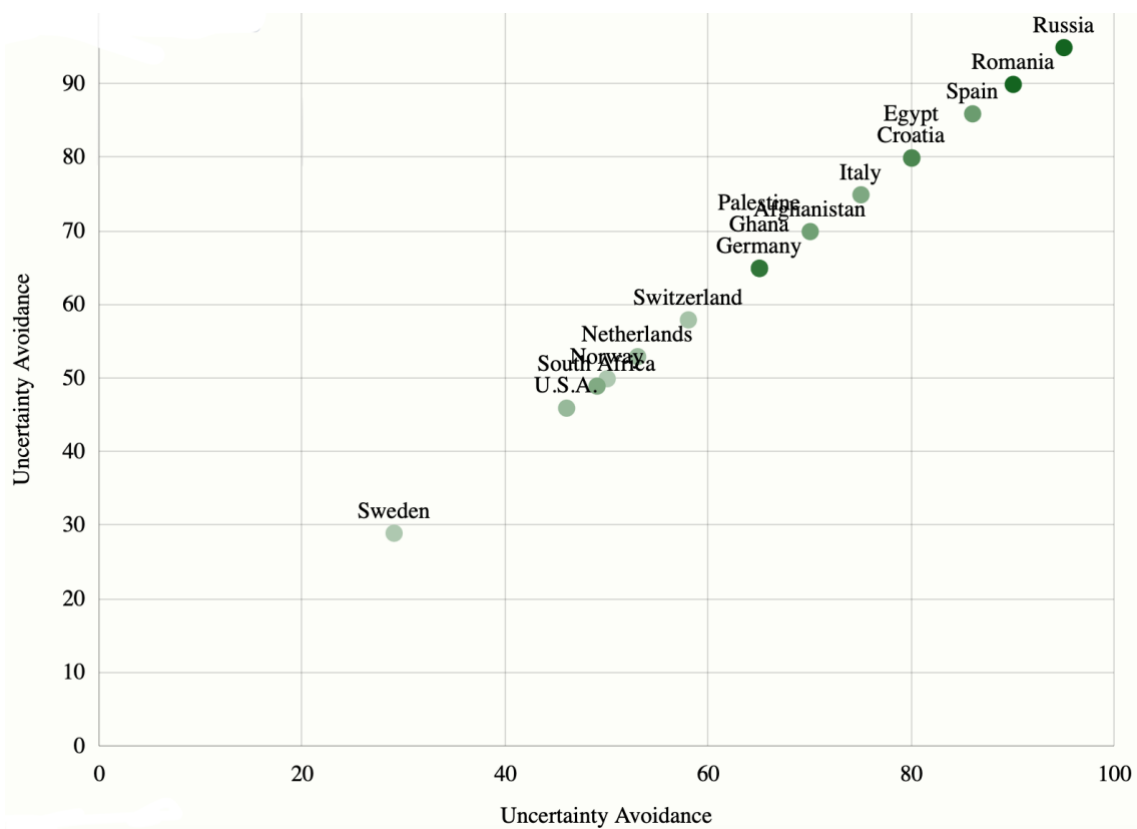


Fig. 6 Hofstede's UAI of the countries most relevant to the study Adapted from Hofstede's Globe, by Hofstede Insights, n.d., Geert Hofstede Exhibition Website (<https://exhibition.geerthofstede.com/hofstedes-globe/>). Copyright by Hofstede Insights.

Long-term orientation (LTO) emphasizes the fostering of virtues focused on future rewards, particularly perseverance and thrift (Hofstede et al., 2017, p. 239). In contrast, short-term orientation prioritizes virtues related to the past and present, such as respect for tradition, maintaining social reputation, and fulfilling social obligations (Hofstede et al., 2017, p. 239). Long-term orientation is characterized

by perseverance, the tenacity behind the pursuit of a set goal, thrift, and the ability to save and reinvest money. The highly valued sense of shame supports a highly sensitive individual to social norms and stress the keeping of made commitments, which is atypical of a short-term orientation (Hofstede et al., 2017). High LTO companies invest in building up a stable and strong market position while low LTO organizations are more concerned with the results of the month, quarter and year, (Hofstede et al., 2017). Moreover, in short-term oriented companies, meritocracy and a differentiation based on skills is oftentimes observed, the need for cognitive consistency is strong and the main work values include goal-orientation, thinking for one's self, and freedom; while in long-term oriented business, wide differences in social and economic conditions are avoided, in the work place are values include honesty, accountability, self-discipline, fast-learning and adaptability, and managers and employees share the same aspirations and goals (Hofstede et al., 2017).

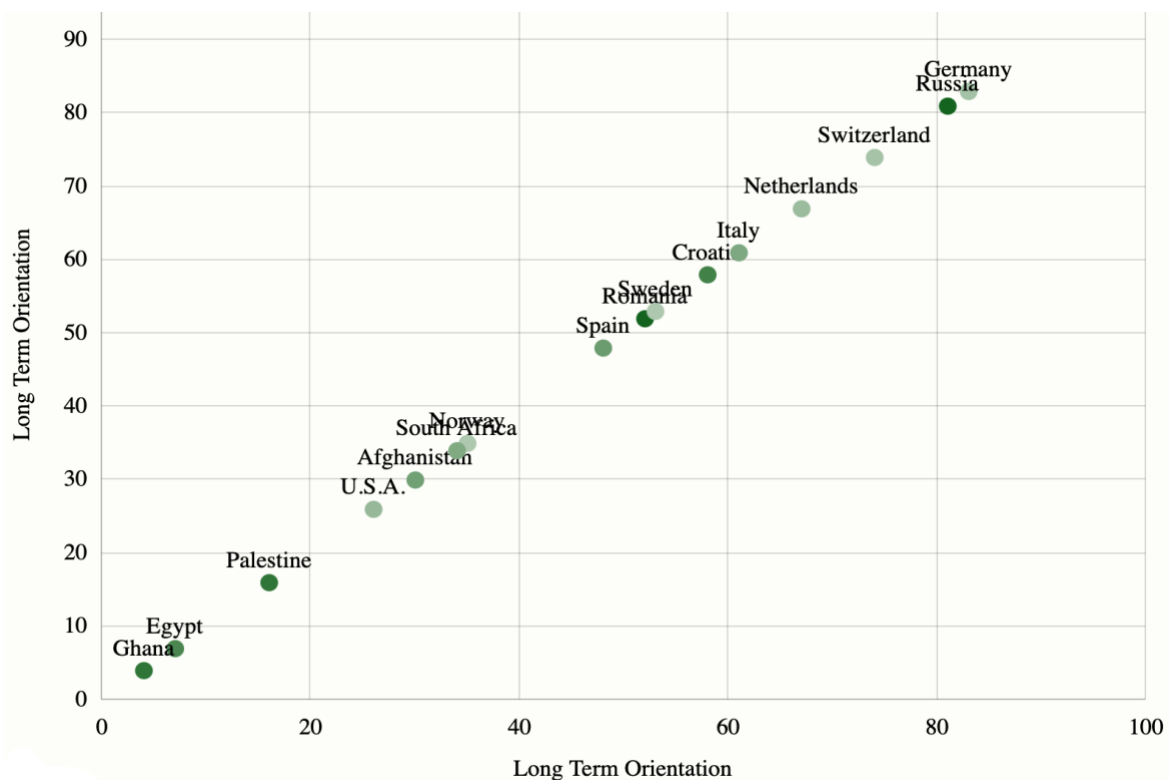


Fig. 7 Hofstede's LTO of the countries most relevant to the study Adapted from Hofstede's Globe, by Hofstede Insights, n.d., Geert Hofstede Exhibition Website (<https://exhibition.geerthofstede.com/hofstedes-globe/>). Copyright by Hofstede Insights.

IVR considers the two opposite poles of indulgence, defined as the tendency that allows the free gratification of the human desire to enjoy life, and the conviction that the aforementioned gratification needs to be curbed and strictly regulated (Hofstede et al., 2017). In a society, this difference refers to either a tight or loose community. In a tight community, the emphasis is on formality, durability, permanence, group organization, and solidarity; in a loose one, on the other hand, societal norms are in a wide range of alternative channels, and deviancy is highly tolerated (Hofstede et al., 2017). The index mirrors the feelings of neuroticism and extrovertism, which are consistent with restraint and indulgence: societies that are characterized by high indulgence are likely to host extroverted individuals and fewer neurotics (Hofstede et al., 2017). Additionally, restrained societies foster thrift and a cynical attitude while indulgent societies have a high perception of personal life control and a positive attitude (Hofstede et al., 2017).

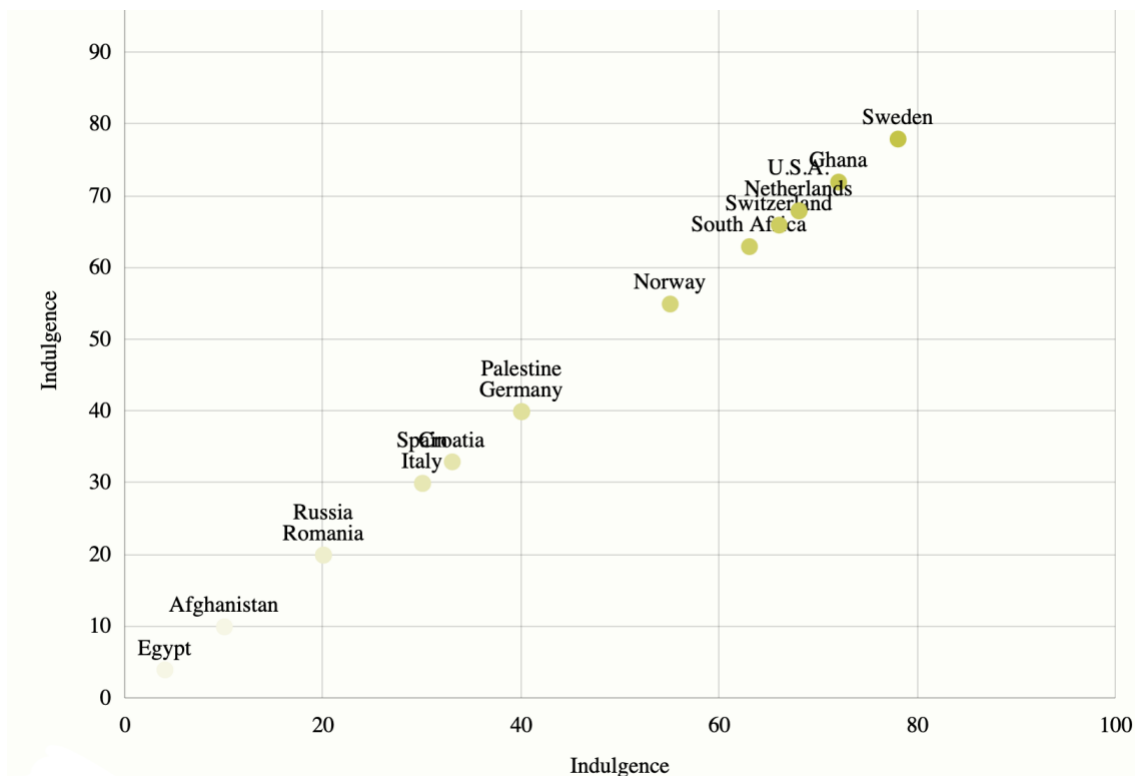


Fig. 8 Hofstede's IVR of the countries most relevant to the study Adapted from Hofstede's *Globe*, by Hofstede Insights, n.d., *Geert Hofstede Exhibition Website* (<https://exhibition.geerthofstede.com/hofstedes-globe/>). Copyright by Hofstede Insights.

4. Methods

This chapter outlines the research approach, process, and methodological reflections. First, the qualitative approach and the interpretivist paradigm are presented to explain how leadership styles and interactions in multicultural teams are examined. Then, the abductive reasoning process is introduced, highlighting how inductive and deductive perspectives guide the study. The sampling strategy and selection of participants are briefly described, followed by an overview of interactive interviews as the primary data collection method. Furthermore, the approach to analyzing the collected material is explained. Lastly, ethical considerations and study limitations are discussed.

4.1 Research Approach

To effectively address the research question, a qualitative approach was chosen, as it provides the depth needed to explore how individuals interpret their experiences and construct meaning within their social and professional environments (Merriam & Tisdell, 2015). Given that the study seeks to understand how different leadership styles influence interactions in multicultural teams, a qualitative design was the most suitable, as it prioritizes comprehension over quantification (Bryman, 2012). Unlike quantitative methods that rely on numerical data, qualitative research focuses on words, perspectives, and experiences, allowing for a more detailed exploration of complex social dynamics (Braun & Clarke, 2013). The study follows an abductive approach, which integrates both inductive and deductive reasoning to refine and expand existing theories on leadership styles, Hofstede's cultural dimensions, and cultural synergy (Dubois & Gadde, 2002). This iterative process allows for a continuous exchange between theoretical frameworks and newly collected data, ensuring a more nuanced and contextualized interpretation of the findings (Bryman & Bell, 2015). Unlike purely inductive research, which builds theory solely from observations, or deductive research, which tests pre-existing theories, the abductive approach enables the study to both

validate existing leadership models and contribute new insights that might expand or even challenge them.

The research is positioned within the interpretivist paradigm, which recognizes that human behavior is shaped by subjective perceptions rather than objective truths (Hammersley, 2013). In this perspective, the influence of leadership on interactions within multicultural teams is not seen as a fixed or universally measurable phenomenon but rather as a context-dependent process that varies based on cultural, social, and individual factors (Creswell, 2007). Interpretivism emphasizes understanding the complexity of human interactions within their specific settings, making it the most appropriate paradigm for studying leadership dynamics in diverse teams.

Interactive interviews were selected as the primary data collection method. This approach allows for deeper engagement with participants and provides insights into aspects that cannot be directly observed, such as their perceptions, emotions, values, and reflections on leadership experiences (Wellington & Szczerbinski, 2007). The ability to probe further into responses, clarify meanings, and adapt questions based on emerging themes makes interactive interviews particularly effective for capturing the nuanced ways in which leadership styles shape team interactions in multicultural contexts.

4.2 Interactive Interviews

Interactive interviews are a flexible and dynamic way to conduct qualitative research, helping to create a collaborative exchange between interviewer and participant (Ellis & Berger, 2003). This method focuses on building rapport and encourages participants to share their experiences as narrators of their own stories (Ellis & Berger, 2003, p. 469). The flexible nature of this approach allows interviewers to follow participants' responses in real time, uncovering deeper meanings and developing insights together (Kvale & Brinkmann, 2015). For example, when studying leadership in multicultural teams, open-ended questions like “Can you describe a time when a leader improved communication among team members?” can encourage storytelling, while follow-ups such as “Why do you think their actions were effective?” help participants reflect on leadership dynamics. The interview questions in this study were developed to examine key aspects that

influence interactions in multicultural teams. They assess cognitive and behavioral engagement, looking at how actively team members take part in discussions, problem-solving, and collaboration. They also explore trust, focusing on whether employees feel safe and supported within the team. Another key focus is leadership style, analyzing whether leaders take a laissez-faire, inspirational, or transactional approach and how this affects team cohesion. Lastly, the questions investigate cultural synergy, looking at whether the leader helps create an inclusive environment that bridges cultural differences and improves teamwork.

In order to effectively cover the core themes, the interview is divided into different sections. Introductory questions set the stage by exploring participants' experiences in multicultural teams. Leadership-related questions examine how different leadership styles impact motivation, decision-making, and team cooperation. Trust-focused questions explore whether leadership helps create a safe and inclusive work environment where diverse perspectives are encouraged. The interview also incorporates Hofstede's cultural dimensions, such as power distance, uncertainty avoidance, and individualism vs. collectivism, to understand how employees experience leadership in different cultural contexts. This structured yet flexible format ensures that responses provide valuable and detailed insights. Even if employees don't use academic terminology, the interviewer helps guide the conversation in a way that connects their experiences to relevant theories (Tracy, 2020). Seidman (2019) points out that open-ended, non-intimidating questions are important in helping participants feel comfortable enough to share personal stories and reflect on their experiences. This approach makes sure participants feel valued as contributors to the research. At the same time, the interviewer must engage in empathetic listening (Mies, 1983; Stanley & Wise, 1983) to fully understand the emotions and meanings behind participants' responses.

4.3 Maximum Variation Sampling

The goal of the study is to be able to find pertinent answers to how leadership styles affect interactions among multicultural team members and, therefore, a purposive sampling method was needed. Participants, therefore, have not been chosen randomly but strategically so that they could be pertinent to the study. The research question per se already provides some guidelines regarding the categories

of people that need to be considered for the study, and sampled. As the study aims to understand how employees perceive the leader's influence in their interactions, the sampled individuals are workers of multicultural teams. Given the broad requisite, a maximum variation sampling that would enhance the heterogeneity of the interviewees was applied. This strategy allows the researcher to "cut across a great deal of variation" (Patton, 2014, p. 428) by heightening the difference from case to case. Maximum variation sampling allows choosing "a small sample of great diversity" (Patton, 2014, p. 429), granting findings to be a detailed representation of each case, and adequate for documenting diversity and uniqueness.

In the research, the factors considered to ensure maximum variation included the diversity of leadership approaches observed within teams. The diversity of the teams varied from fully multicultural to partially multicultural, where the majority of workplace members shared the same cultural background. Career stage was another key factor, distinguishing between junior-level employees (with less than three years of experience) and mid-level employees (with three to five years of experience). Participants were also selected from various organizational settings, including corporate multinationals, startups, small and medium-sized enterprises, and the public sector. Most importantly, individuals came from different cultural backgrounds. Additionally, potential participants were briefly surveyed beforehand to assess their compatibility with the study criteria.

As for the sample size, 15 individuals, who will remain anonymous and be referred to as "interviewee #", were interviewed as the goal was to obtain in-depth, rich and detailed knowledge and insights of the perceived phenomenon of leadership.

4.4 Interview Proceedings

The interviews followed a semi-structured format to encourage interaction and discussion between the interviewer and participants. This approach allowed for flexible wording and structuring of questions (Merriam & Tisdell, 2015). The discussion was guided by six thematic blocks: introductory questions, leadership styles and perceptions, leadership's impact on cultural interactions, group dynamics and trust, the leader's influence on team success, and personal reflections (See Appendix A). While a set of example questions was prepared, their order and

phrasing were adapted based on the conversation's flow, enabling the researcher to adjust to emerging perspectives (Merriam & Tisdell, 2015).

Participants were informed in advance about the study's topic and structure and received an information sheet and consent form to review and sign (See Appendix B and Appendix C). Before each interview, the researcher addressed any participant questions and clarified privacy conditions, particularly that the session would be recorded and transcribed. Participants could choose to be interviewed in English or Italian, depending on which language they felt most comfortable using to express their thoughts and perspectives. This ensured a more natural and open conversation, reducing potential language barriers. Interviewees were also informed that the discussion would last between 45 minutes to 1.5 hours, allowing them to schedule it without disruption to the knowledge-sharing process.

As participants were located in different countries, most interviews were conducted online using real-time video conferencing on platforms such as Zoom and Google Meet. The use of video allowed interactions to be comparable to in-person interviews by preserving social cues and nonverbal communication, although limited to a "head shot" (Stewart & Williams, 2005; Sullivan, 2012; Carter, 2011).

To ensure participants felt comfortable and could speak freely, they were asked to connect from a location where they felt at ease. This measure aimed to prevent withholding of information, as interviewees in environments where they felt exposed or uneasy might limit their responses, affecting the interview's success (Dyck, 1997). Each participant was also given the option to choose the video conferencing platform they were most familiar with, reducing potential technical difficulties and discomfort with unfamiliar software. This precaution addressed concerns about digital literacy and accessibility, as highlighted by Tuttas (2015), who noted that some participants in his study were unable to take part due to a lack of technological knowledge or access to the necessary tools. During each interview, the researcher took notes and later summarized key insights, also reflecting on the emotional tone of the conversation. This process facilitated a deeper understanding of the data and helped interpret the transcripts during analysis (Brinkmann & Kvale, 2008). Interviews were transcribed immediately after they took place, and recordings were deleted to ensure confidentiality. If the interview was conducted in

Italian, the researcher translated it right after transcription, ensuring that nuances in tone and emotions were accurately conveyed.

Before the analysis phase, each interview was contextualized using Hofstede's cultural dimensions and examined for alignment with Adler's cultural synergy model. Leaders were categorized into one of three leadership styles: transactional leadership, defined by structured environments, performance monitoring, and a reward-punishment system, which provided clarity but sometimes led to rigidity (Burns, 1978); transformational leadership, where leaders emphasized vision, motivation, and inclusive communication, fostering engagement through individualized consideration and intellectual stimulation (Avolio & Yammarino, 2013); or laissez-faire leadership, in which leaders adopted a hands-off approach, granting autonomy that could be advantageous for self-driven teams but challenging in more structured settings (Judge & Piccolo, 2004). To evaluate the influence of these leadership styles, the study examined key aspects of trust, engagement, and cultural synergy across participants. Trust was analyzed in terms of openness in communication, consistency in leadership behaviors, and perceptions of fairness and inclusivity within the team. Engagement was assessed both cognitively, through intellectual stimulation, encouragement to innovate, and opportunities to contribute ideas, and behaviorally, by examining levels of active participation, collaboration, and initiative-taking in daily responsibilities. Cultural synergy was investigated by exploring leadership's ability to recognize cultural differences, integrate diverse perspectives, and foster an inclusive team environment. By identifying patterns of trust, engagement, and cultural synergy within each leadership style, the study provided a comparative framework for understanding how these approaches shape team dynamics. The results from each leadership category were then analyzed to effectively address the research questions and offer insights into the broader implications of leadership effectiveness in multicultural teams.

4.5 Ethical Considerations and Limitations

Ensuring the ethical integrity of the study was a key priority, especially given its reliance on qualitative interviews and the exploration of employees' experiences in multicultural teams. Several ethical measures were implemented to protect

participants and ensure research validity. The first was informed consent: before participation, all interviewees received a detailed information sheet outlining the study's purpose, procedures, expectations, and rights. To confirm voluntary participation and awareness of data use, they signed a consent form (Appendix C) (Flick, 2018). At the start of each interview, time was dedicated to revisiting these details and addressing any remaining questions. Participants were explicitly informed of their right to withdraw at any time without providing justification (Brinkmann & Kvale, 2015). To maintain anonymity, interviewees were assigned a numerical code, and any identifying details, such as names or company affiliations, were removed from transcripts. All data was securely stored, accessible only to the researcher, and audio recordings were deleted immediately after transcription (Wiles, 2013). For interviews conducted in Italian, translation was done immediately to preserve nuances, emotions, and cultural-specific meanings. A systematic verification process ensured accuracy in key phrases and contextual meanings (Merriam & Tisdell, 2015). Given the sensitive nature of discussing leadership and workplace interactions, measures ensured a safe interview environment. Clear expectations were set, an open dialogue was encouraged, and participants controlled the depth of their disclosures, ensuring they only shared what they felt comfortable discussing (Tracy, 2020).

While this study provides insights into how leadership styles influence interactions in multicultural teams, certain limitations must be acknowledged. The qualitative nature of the study prioritizes depth over breadth, meaning findings are based on participants' subjective experiences rather than objective measurements, limiting generalizability beyond the sample (Creswell, 2007). With 15 interviewees, the dataset was sufficient for thematic analysis, but broader applicability to different industries or team structures remains limited despite maximum variation sampling (Guest et al., 2013). Language posed a potential limitation. Some interviews were conducted in Italian to ensure participants felt at ease and later translated into English. Despite efforts to preserve meaning, translation always risks losing subtle nuances, emotions, and culturally specific expressions (Sutrisno et al., 2014). Additionally, since some interviews were conducted via online videoconferencing, the setting did not fully replicate in-person dynamics, which may have limited the ability to capture nonverbal cues and social subtleties (Sullivan, 2012). A further limitation is selective memory and

personal bias, as participants reflected on past leadership experiences. While common in self-reported qualitative studies, this introduces subjectivity in how events are recalled and interpreted (Alvesson, 2011). Finally, the interpretivist paradigm emphasizes subjective meaning-making, meaning findings are shaped both by participants' perspectives and the researcher's interpretation. While this approach aligns with the study's goals, it inherently carries some degree of researcher bias (Hammersley, 2013).

5. Finding and Analysis

The analysis chapter aims to elaborate and review the data through the lenses proposed in the theoretical chapter in order to explore the interviewees' experiences in working in multicultural teams while providing an answer to the research questions. In the following table an overview of each interviewee is presented.

| Interviewee # | Nationality | Location | Leader's nationality | Leadership style |
|---------------|---------------|--------------|----------------------|------------------|
| 1 | American | Sweden | Swedish | Laissez-faire |
| 2 | Italian | Switzerland | Romanian | Laissez-faire |
| 3 | Italian | Netherlands | German | Transactional |
| 4 | Italian | Qatar | Italian | Laissez-faire |
| 5 | Palestinian | Sweden | Swedish | Laissez-faire |
| 6 | Spanish | Italy | Italian | Transformational |
| 7 | South African | South Africa | American | Transactional |
| 8 | Italian | Sweden | Swedish | Laissez-faire |
| 9 | Swiss | Sweden | Swedish | Transactional |
| 10 | Russian | Sweden | Egyptian | Transformational |
| 11 | Norwegian | Norway | Croatian | Laissez-faire |
| 12 | Italian | Italy | Afghan | Transactional |
| 13 | Italian | Netherlands | Dutch | Transformational |
| 14 | Italian | Ghana | Italian | Transactional |
| 15 | Swedish | Sweden | Indian | Transformational |

Table 1: Participants' overview, including their nationality, the geographical location of the company they work for, their leader's nationality and style

5.1 Trust in Laissez-Faire Leadership

In multicultural teams with laissez-faire leaders, trust formation is shaped by the absence of direct managerial oversight, leaving employees to establish trust

independently (Judge & Piccolo, 2004). A clear pattern emerged across interviews: trust was primarily built within employee subgroups rather than with the leader. This was especially evident in low power distance cultures like Sweden and Norway, where informal collaboration helped compensate for minimal managerial involvement. In contrast, employees from moderate to high power distance cultures, such as Italy and Qatar, often felt a trust gap due to the lack of structured guidance. Without direct leadership, employees naturally relied on colleagues for support.

Laissez-faire leaders take a detached approach, which leads employees to depend on their peers for guidance and collaboration. Interviewee 1 (American, Sweden, Swedish leader) described this dynamic: "Trust kind of evolves within the smaller groups I work with the most closely. It builds over time as we show that we are there to help and support each other." Similarly, Interviewee 2 (Italian, Switzerland, Romanian leader) explained how trust developed through collaboration: "We had regular checkpoints where people needed to report their progress, but since the work was very interconnected, no one could just work in isolation. There were constant interactions, and with interactions, you naturally get some disagreements that need to be resolved." Interviewee 5 (Palestinian, Sweden, Swedish leader) highlighted how trust among colleagues became essential: "We trust each other to get things done. Our boss also puts a lot of trust in us since it's mostly just the two of us running things. Without that trust, things wouldn't work."

Hofstede's Power Distance Index (PDI) played a significant role in shaping how employees interpreted laissez-faire leadership (Hofstede et al., 2017). In low power distance cultures like Sweden, employees saw laissez-faire leadership as a sign of trust in their capabilities. Leaders often blended into the team rather than establishing a clear hierarchy. Interviewee 8 (Italian, Sweden, Swedish leader) observed: "Managers here don't try to take a position above everyone else. They blend in with the team, so you don't feel like you are working under them, it's more like they are part of the team."

By contrast, employees from moderate to high power distance cultures, such as Italy, struggled more with detached leadership. Interviewee 4 (Italian, Qatar, Italian leader) expressed frustration: "Sometimes, I feel like there's no one really directing things. We're just expected to figure it out, but that can be frustrating when priorities aren't clear." However, Interviewee 5 offered a different perspective: "He trusts us and understands that we'd do it if we thought it was effective. That's

something we really appreciate about him." From a cultural synergy standpoint, trust formation in laissez-faire teams depends on how employees reconcile different expectations about authority. In high power distance cultures, trust tends to be hierarchical rather than peer-driven, making laissez-faire leadership more challenging unless alternative trust-building mechanisms, such as structured check-ins, are in place (Adler, 1997).

Even in laissez-faire environments, leader accessibility played a role in trust formation. Interviewee 11 (Norwegian, Norway, Croatian leader) described how periodic leader involvement helped sustain trust: "Even though our leader doesn't get involved daily, we know they are there if we need them. They check in periodically and make sure things are running smoothly, which helps us trust that they are aware of what's happening." The contrast between low and high power distance cultures was evident in how employees responded to absent leadership. Employees in Sweden and Norway were comfortable with leaders maintaining distance, while those from Italy and Romania expected a more structured presence. Interviewee 2 highlighted this difference: "He was always available if we had questions, but since he rarely checked in proactively, sometimes it felt like we were on our own. It worked well for proactive people, but others might have struggled."

Interviewee 5 described how leader accessibility improved team organization: "He's always very supportive, always checking in. Last year, things were chaotic because we didn't have a clear structure for who was responsible for what. So this year, he created an Excel sheet with all the tasks, deadlines, and who's responsible for each item. Everyone has access to it, so we can keep track of what needs to be done." Findings suggest that leader accessibility stabilizes laissez-faire environments. From a cultural synergy perspective, accessibility bridges autonomous and hierarchical work cultures, ensuring employees who expect structure do not feel abandoned while those who value independence maintain autonomy. Even in low power distance settings, periodic leader involvement reassures employees that priorities remain on track (Bass & Riggio, 2006). In higher power distance cultures, accessibility mitigates uncertainty and reinforces structured engagement, aligning expectations across diverse teams.

Hofstede's Uncertainty Avoidance Index (UAI) further influenced trust-building. Employees from high uncertainty avoidance cultures, such as Italy, found it harder to trust leaders who provided little direction. Interviewee 4 noted: "I like

having some level of independence, but when there's too much ambiguity, it creates stress. I think some structure would help us feel more aligned." Conversely, employees from low uncertainty avoidance cultures, like Sweden and Norway, saw autonomy as both natural and beneficial. Interviewee 8 explained: "We set our own goals, and we know what's important and what our priorities should be probably better than the manager would. So the fact that the manager takes a more hands-off approach is a good thing."

A key takeaway is that successful laissez-faire teams find ways to balance structure and flexibility, adapting trust-building strategies to cultural expectations. From a cultural synergy perspective, adaptability helps teams integrate diverse employees while preventing disengagement. Those from high uncertainty avoidance cultures benefit from structured systems, such as regular check-ins and accountability measures, while individuals from low uncertainty avoidance cultures thrive with greater independence. Leaders who balance these approaches foster stronger cohesion and sustain engagement in multicultural settings (Earley & Ang, 2003).

In laissez-faire teams, trust often develops within peer networks rather than being actively shaped by leadership. However, the extent to which peer trust compensates for minimal leadership depends on cultural attitudes toward authority and collaboration (Yang, 2015). Employees from low power distance cultures, like Sweden and Norway, adapt more easily due to their egalitarian work norms, while those from moderate to high power distance cultures, such as Italy and Qatar, often struggle, expecting clearer leadership direction.

Ultimately, trust in laissez-faire settings is shaped by cultural expectations and leader accessibility. Trust naturally forms among colleagues rather than being leader-driven, strengthening internal bonds but weakening leader-subordinate dynamics. However, when leaders balance autonomy with periodic engagement, overall trust remains stable. Laissez-faire leadership fosters trust only when cultural norms align with self-directed work styles. In multicultural teams, leaders must calibrate their involvement to match employee expectations, ensuring trust is maintained across diverse collaboration approaches.

5.1.1 Cognitive Engagement in Laissez-Faire Leadership

Laissez-faire leadership can foster strong engagement among self-motivated employees but often leaves others uncertain about their roles. Those used to autonomy tend to thrive, while employees who expect more structured guidance may struggle to maintain engagement. In these environments, engagement depends largely on personal work ethic and intrinsic motivation. Interviewee 1 described the benefits of autonomy: "My leader has a trust-based approach. I would describe it as free, in the sense that they aren't constantly checking in on us or micromanaging. They ask for updates along the way but aren't the type to hover over your shoulder." Similarly, Interviewee 5 emphasized how trust played a central role in sustaining motivation: "We trust each other to get things done. Our boss also puts a lot of trust in us since it's mostly just the two of us running things. Without that trust, things wouldn't work."

However, for employees who rely on structured direction, laissez-faire leadership proved less effective. Interviewee 2 described the challenge of maintaining engagement without clear expectations: "Sometimes it feels like there isn't enough structure. We decide things as a team, but it can lead to delays when roles and expectations aren't clearly defined." In cultures where employees expect external reinforcement and more structured leadership, the absence of direct guidance created uncertainty and reduced motivation. While laissez-faire leadership enhances cognitive engagement for independent employees, others may struggle without defined goals or feedback (Bass & Riggio, 2006). This highlights the importance of leaders assessing which employees require clearer objectives and periodic check-ins. From Adler's cultural synergy model, these findings underscore the need to balance autonomy with cultural expectations, ensuring work structures accommodate different strengths (Adler, 1980). Recognizing that some employees thrive in autonomous environments while others require more defined frameworks allows leaders to implement adaptive engagement strategies that meet diverse needs.

In laissez-faire environments, employees are expected to make decisions independently, which encourages problem-solving but can also create inefficiencies when coordination is lacking. Interviewee 8, an Italian working in Sweden under a Swedish leader, described how autonomy supported collaborative problem-solving: "In my experience, problem-solving was collaborative within the team. The leader was approachable but allowed us the freedom to figure out solutions on

our own." On the other hand, Interviewee 4 pointed out how limited leadership involvement sometimes slowed decision-making: "Discussions were informal, and while the leader provided input, it often felt like they weren't directly involved in driving resolutions." Similarly, Interviewee 5 described how problem-solving was left entirely to the team, sometimes leading to uncertainty: "We pretty much do it together. Our overall goal is the same every year, but how we reach it is up to us. We have a lot of freedom, which is great, but sometimes you just want someone to tell you the best approach."

From a cultural synergy perspective, this reflects the concept of equifinality the idea that different paths can lead to the same outcome (Adler, 1997). In multicultural teams, decision-making styles vary, and leaders who integrate diverse problem-solving approaches can create more effective team dynamics. While some employees value full autonomy, others benefit from structured decision-making frameworks that provide guidance without limiting independence.

Laissez-faire leadership also means employees often define their own roles, which can be empowering for some but overwhelming for others. The lack of clear role expectations increased cognitive load, particularly for employees who preferred structured responsibilities. Interviewee 11 described a leadership style that struck a balance between autonomy and structure: "We had milestones to meet, and while the leader wasn't overbearing, they checked in regularly to ensure we were aligned." Interviewee 1 echoed a similar sentiment, emphasizing that while oversight was minimal, expectations were clear enough to prevent confusion: "There's no strict oversight, but the expectations are clear enough that we don't feel lost. You just figure things out as you go, and people are good at helping each other if something is unclear."

However, for some employees, the ambiguity in laissez-faire environments led to inefficiencies. Interviewee 5 described the challenges of navigating open-ended expectations: "Sometimes, things are too open-ended. We have a lot of flexibility, which is great, but there are moments when you just want someone to tell you what to do." Similarly, Interviewee 2 highlighted how role uncertainty affected collaboration: "When things are unclear, you either take initiative or wait for someone to step in. But sometimes that waiting leads to delays because nobody is sure who should take charge."

These findings reinforce the idea that role clarity must be adapted to both cultural expectations and individual work preferences (Adler, 1984). In multicultural teams, hybrid approaches are often necessary, providing structure for those who need it while maintaining flexibility for employees who thrive in autonomous environments. Leaders can achieve this by implementing optional frameworks, such as check-in systems or project milestones, to balance self-guided work with structured accountability.

5.1.2 Behavioral Engagement in Laissez-faire Leadership

Behavioral engagement refers to how actively employees participate in collaboration, communication, and initiative-taking within a team. It includes reliance on informal networks, uneven participation in decision-making, and the balance between structured and flexible collaboration. Laissez-faire leadership fosters autonomy, but effective teamwork still requires self-organization, which is shaped by cultural expectations. Hofstede's Power Distance Index (PDI) highlights how employees from low power distance cultures, such as Sweden and Norway, engage in self-regulated collaboration, while those from higher power distance cultures, such as Italy, often expect clearer leadership directives. In low power distance environments, employees are used to flat hierarchies and tend to manage tasks independently, seeing leader detachment as a sign of trust. In higher power distance cultures, where leadership is more directive, the absence of clear guidance can create uncertainty, making collaboration less fluid. Without structured leadership, team interactions become the primary means of distributing work, making decisions, and maintaining progress. Employees rely on peers for informal leadership and coordination, which can be effective but also inconsistent, depending on group dynamics and individual initiative. Some interviewees noted that periodic leader intervention helped maintain alignment, while others said collaboration depended entirely on peer-driven engagement.

Interviewee 1 described how informal leadership naturally developed within the team: "Technically, we're all on the same level, but since some people have been here longer, a sort of informal leadership role tends to form. It's not something official, but experience naturally gives some people a bit more influence." Laissez-faire teams often establish their own leadership structures based on experience rather than hierarchy. Collaboration emerges organically, but its effectiveness

depends on team members taking initiative and coordinating efforts without formal direction. However, self-organization does not always function smoothly. Interviewee 4 described the difficulties of working without structured collaboration: "The team is quite diverse, but its composition happens spontaneously rather than being structured with guidelines that promote cohesion. This means that different people have different habits and priorities, and without clear guidance, these differences can sometimes make collaboration more complicated." This reflects a key challenge of laissez-faire leadership, particularly in multicultural teams where employees bring different working styles and expectations. While the autonomy provided by laissez-faire leadership allows employees to work in ways that suit them best, it can also lead to inconsistencies, making collaboration more difficult when priorities and expectations are not aligned.

Communication in laissez-faire teams often relies on informal networks, fostering openness but also leading to inefficiencies and misunderstandings. Cultural differences in communication styles further shape these interactions, influencing how employees navigate workplace discussions. Interviewee 2 noted the challenges posed by high uncertainty avoidance, where a lack of structured communication caused confusion and inefficiencies. Meanwhile, Interviewee 11 described a more effective dynamic, where trust-based communication supported smooth collaboration, aligning with Norway's low power distance and high individualism. The ability of teams to function well in a laissez-faire environment depends on how proactively they exchange information and ensure key updates reach all relevant members. Without a structured approach, gaps in communication can lead to duplicated work, inefficiencies, and misaligned efforts.

Interviewee 2 reflected on the difficulties caused by informal communication: "We talked a lot as a team, but the lack of structure meant that important updates didn't always reach everyone. Sometimes, misunderstandings lingered because there wasn't a clear process for resolving them." This suggests that even open laissez-faire teams need mechanisms to ensure consistency and clarity in information sharing. Without structured updates or clear expectations, employees may work with incomplete information, leading to fragmented decision-making and avoidable miscommunication. In contrast, Interviewee 11 highlighted the benefits of periodic check-ins from leadership: "He motivated me a lot. I took

pride in being one of the people he trusted, and I wanted to stay on his good side. He's actually still my reference to this day when I apply for jobs." Even in laissez-faire settings, some level of leadership guidance can strengthen engagement and trust, reinforcing the importance of structured but minimal communication to prevent misunderstandings and ensure alignment.

Laissez-faire leadership encourages initiative, but it also shifts the burden of engagement onto employees, requiring them to manage work distribution and informal leadership dynamics. Hofstede's dimension of individualism versus collectivism plays a key role in shaping how employees take initiative. In highly individualistic cultures, such as the U.S. and Sweden, employees tend to be comfortable stepping up without explicit direction, seeing autonomy as an opportunity to demonstrate self-sufficiency. In moderately collectivist cultures, such as Italy, employees may hesitate to take initiative without structured guidance, as leadership is traditionally seen as responsible for setting clear expectations. Interviewee 1 noted how autonomy encouraged self-driven initiative, aligning with the individualistic cultures of both the U.S. and Sweden. In contrast, Interviewee 2 described challenges that arose from unclear expectations. Without formal direction, some employees took on more responsibility, while others hesitated, creating an imbalance in workload and engagement.

Similarly, Interviewee 5 described an environment where flexibility and trust-based delegation allowed for high levels of autonomy. While this approach empowered employees to take initiative, it also created occasional uncertainty, as the lack of structured feedback and explicit guidance sometimes led to inefficiencies or hesitation in decision-making. This highlights how laissez-faire leadership can be effective in cultures where autonomy is highly valued, but it also underscores the need for periodic intervention to ensure balanced workload distribution and sustained engagement.

Interviewee 1 reflected on the balance between autonomy and coordination: "Well, so far, I'd say the manager's approach is quite hands-off. They guide from the background, supporting when needed and stepping in for final decisions, especially on bigger tasks related to organizational priorities. But generally, they act more as a coordinator rather than being directly involved in specific tasks." This perspective underscores the importance of leadership presence, even in a minimal but structured form. However, for employees who struggled with

a lack of structure, the experience was less positive. Interviewee 2 described how uncertainty about expectations affected engagement: "Sometimes it felt like there was too much freedom. Without knowing what was expected, some people hesitated to step up, and the workload wasn't evenly distributed." This indicates that while laissez-faire leadership fosters trust and autonomy, it also requires clear frameworks to ensure balanced participation. When expectations are ambiguous, some employees may disengage, while others take on a disproportionate share of responsibilities, leading to frustration and inefficiencies.

Adler's (1997) cultural synergy model highlights how effective leadership adapts to diverse cultural perspectives, balancing autonomy with structured guidance. In laissez-faire environments, engagement depends on self-regulation, communication, and cultural expectations. Low power distance and high individualism foster independent collaboration, while higher power distance and uncertainty avoidance require clearer structure. Across multiple interviews, trust-based autonomy emerged as a key theme, but without structured feedback, uncertainty arose (Interviewees 5, 1, 8). Teams with occasional check-ins (Interviewees 1, 2, 8) balanced flexibility and alignment, while newer employees often struggled with unclear expectations (Interviewees 2, 5). In higher power distance settings, minimal structure helped mitigate confusion (Interviewee 4). Leadership effectiveness varied based on engagement disparities: in highly autonomous teams, proactive employees thrived, while those needing guidance felt disengaged (Interviewees 5, 11). Hands-on leaders (Interviewee 11) maintained control but favored high performers, creating uneven team cohesion. Conversely, leaders who prioritized well-being and structured communication (Interviewees 8, 1) fostered collaboration and psychological safety.

Ultimately, successful laissez-faire leadership requires a balance of autonomy and structured alignment, ensuring that engagement remains inclusive rather than selective. Minimal but effective interventions, such as regular feedback and role clarity, help teams self-manage without sacrificing cohesion.

5.2 Trust in Transformational Leadership

The extent to which transformational leaders establish trust depends largely on their ability to balance authority with openness. When leaders successfully combine

structure with adaptability, employees experience both autonomy and clear direction, reinforcing trust in leadership. Interviewee 6 (Spanish, Italy, Italian leader) described their leader as structured yet flexible, allowing employees to work independently while still providing support and guidance when needed. This created an environment where trust was built not through control but through consistency and responsiveness. "I have the freedom to work independently, but I know that if I need help, my leader is there," explained Interviewee 6. This reflects a core principle of transformational leadership, where individualized consideration and intellectual stimulation play key roles in trust development (Bass & Riggio, 2006). However, when leadership styles clash with cultural expectations, trust-building becomes more complex and requires additional effort from both leaders and employees.

Interviewee 10 (Russian, Sweden, Egyptian leader) described difficulties in establishing trust due to mismatched leadership styles. The leader's authoritative approach conflicted with Sweden's flat organizational structure, where employees expected autonomy and open collaboration. This disconnect made trust harder to develop, as the hierarchical approach felt out of place in a setting that valued decentralization. Gender and cultural dynamics further shaped this experience. "I am the only female for now in this team. So basically, I am the diversity, you know," she noted, emphasizing how trust-building in this context required overcoming additional barriers. This highlights the role of cultural power distance (Hofstede et al., 2017) in shaping leader-follower relationships, particularly when leadership expectations differ across cultures. Without deliberate adjustments from leaders, employees may struggle to establish meaningful trust, especially in teams with highly diverse backgrounds.

Clear and transparent communication emerged as a key driver of trust in transformational leadership. Interviewee 13 (Italian, Netherlands, Dutch leader) emphasized how open dialogue fostered trust within the team. The leader encouraged employees to express their views and made decisions with transparency, aligning with the Netherlands' low power distance and strong individualistic culture. "He listened to anyone who had something to say and then made a reasonable decision," shared Interviewee 13, illustrating how trust develops when employees feel heard and valued. This aligns with Adler's cultural synergy model, which suggests that integrating diverse perspectives strengthens team

cohesion and trust (Adler, 1984). In contrast, when communication is unclear or overly directive, employees may struggle to develop trust in leadership, particularly in environments where open dialogue is the norm and hierarchical authority is less accepted.

The ability to adapt leadership styles to cultural expectations is another critical factor in trust-building. Interviewee 15 (Swedish, Sweden, Indian leader) initially faced challenges due to differences in leadership expectations. Sweden's decentralized hierarchy contrasted with India's more authoritative leadership approach, creating tension at first. However, over time, the leader adjusted by adopting a mentorship-driven role, fostering collaboration rather than enforcing top-down directives. "I didn't have a choice. He was still our leader, so I had to trust that he would do his part," stated Interviewee 15. This shift allowed the leader to gradually align with the team's expectations, highlighting the importance of cultural adaptability in leadership. Transformational leadership theory supports this, emphasizing the role of individualized consideration in bridging cultural gaps and strengthening trust (Northouse, 2022). Leaders who remain rigid in their approach risk alienating employees who expect a different leadership style, ultimately weakening engagement and cohesion.

The analysis of these multicultural teams reveals distinct patterns in how trust is strengthened or hindered by leadership dynamics. Leaders who effectively balance authority and autonomy, as seen in Interviewees 6 and 15, foster greater trust than those who rely strictly on hierarchical structures. Employees respond more positively when they receive clear guidance but are also given the freedom to contribute autonomously, reinforcing trust in their leader's ability to provide direction while respecting their independence (Hollander, 1992). Communication also plays a crucial role. Leaders who prioritize direct engagement, feedback, and transparent decision-making, such as those in Dutch and Swedish teams, build stronger trust by making employees feel included in the process. In contrast, leaders who maintain distant, top-down styles, as seen in the Egyptian leader's approach in Sweden, struggle to establish trust, as employees perceive a lack of accessibility and involvement (Kotter, 2001). These patterns highlight how different leadership behaviors shape trust-building processes and determine whether employees feel engaged or disconnected from leadership.

Cultural adaptability further distinguishes effective transformational leaders from those who struggle to gain trust. Leaders who adjust their approach to fit local cultural norms, as demonstrated by the Indian leader adapting to Swedish expectations, achieve stronger team cohesion and trust. In contrast, those who maintain rigid leadership models, such as the Egyptian leader in Sweden, face greater challenges in engagement and trust development (Adler, 1997). Leadership personalization also influences how employees interpret trustworthiness. Employees from hierarchical cultures tend to trust structured leadership, where predictability and authority create a sense of security. In contrast, employees from individualistic cultures respond better to leaders who encourage open dialogue and participatory decision-making, reinforcing that trust is built when employees feel their perspectives are valued (Northouse, 2022). Employees are more likely to trust leaders who acknowledge these cultural differences and adjust their leadership style accordingly.

Adler's cultural synergy model suggests that trust flourishes when leaders actively integrate both cultural similarities and differences into their leadership approach. The most effective transformational leaders, as seen in Interviewees 13 and 15, successfully adapted their leadership styles to align with team expectations, fostering environments where trust and collaboration could thrive. Conversely, leaders who failed to adjust to the cultural context, as seen in Interviewee 10's experience, struggled to establish meaningful trust, resulting in limited engagement and cohesion (Adler, 1997).

Transformational leadership is most effective when it incorporates inclusive strategies that promote trust-building across diverse teams. Transparent communication ensures that expectations are clearly aligned, reducing uncertainty and reinforcing trust in leadership (Mühl, 2014). Active mentorship provides employees with support while fostering autonomy, allowing trust to develop through both guidance and empowerment (Bass & Riggio, 2006). Cultural flexibility enables leaders to navigate different team expectations effectively, bridging leadership gaps and creating an environment where trust can grow (Hofstede et al., 2017). Ultimately, transformational leaders who balance structure with adaptability build stronger, more cohesive teams, reinforcing trust and engagement across diverse cultural settings.

5.2.1 Transformative Leadership and Cognitive Engagement

Transformational leadership plays a central role in shaping team interactions by fostering intellectual stimulation, open communication, and mutual learning. By encouraging employees to actively participate in discussions, challenge ideas, and collaborate on problem-solving, transformational leaders enhance cognitive engagement not just between employees and leadership but also among team members. Interviewee 6 described how their leader promoted cognitive engagement through structured yet interactive discussions: “Our leader encourages us to explain our reasoning, not just give answers. This makes us interact more and learn from each other.” This leadership style aligns with Italy’s moderate uncertainty avoidance, where structured debate is valued but still allows space for creative input (Hofstede et al., 2017). By guiding discussions instead of dictating conclusions, the leader enabled employees to think critically and engage meaningfully with their colleagues. In contrast, Interviewee 10 encountered a more top-down leadership approach that limited peer-to-peer interaction: “The leader prefers to set the strategy, and we follow. We discuss ideas with them, but not as much with each other.” This approach aligns with Russia’s high power distance, where employees typically expect direction from leadership rather than frequent horizontal exchanges (Hofstede et al., 2017). As a result, interactions among team members remained task-focused rather than collaborative, reducing opportunities for engagement and knowledge-sharing (Mühl, 2014).

The importance of open communication in shaping team dynamics was evident in the experience of Interviewee 13. They described how open dialogue encouraged meaningful collaboration beyond task execution: “We constantly challenge each other’s ideas, and our leader encourages it. This means we interact in meaningful ways beyond just completing tasks.” The Dutch leadership approach, characterized by low power distance and high individualism, fosters a work environment where employees feel free to exchange insights and challenge ideas without hierarchical constraints (Hofstede et al., 2017). By prioritizing open discussions, the leader created a setting where employees could engage in critical thinking, contributing to both individual development and collective problem-solving (Giles, Coupland, & Coupland, 1991). Similarly, Interviewee 15 initially experienced more rigid leadership expectations but saw a shift toward greater inclusivity over time: “At first, the leader expected us to follow instructions, but later, they encouraged us to

collaborate more, which improved how we interact.” As the leader adapted to the team’s expectations, interactions became more dynamic, leading to better knowledge-sharing and a stronger sense of cohesion. This shift highlights the role of leadership flexibility in fostering cognitive engagement in diverse teams (Adler, 1984; Kotter, 2001).

A leader’s ability to cultivate cognitive engagement directly impacts how employees interact with one another, shaping overall team dynamics. Leaders who encourage collaborative problem-solving create environments where employees feel comfortable expressing ideas and challenging different perspectives. Interviewee 6 explained: “Our leader pushes us to brainstorm together and explore multiple solutions before making a decision.” This approach strengthens collective problem-solving skills, as seen in teams led by Interviewees 6 and 13. By actively involving employees in discussions, these leaders foster deeper engagement, which enhances both learning and performance. Interviewee 13 reinforced this idea, stating: “The best ideas come when we discuss them together. The leader encourages this and values our input”(Bass & Riggio, 2006). In contrast, when leadership remains rigid or overly hierarchical, as experienced by Interviewee 10, interactions between employees become more constrained: “We mostly get instructions, but there’s not much discussion among us.” In this type of work environment, employees primarily communicate with the leader rather than one another, limiting opportunities for peer-driven learning and knowledge exchange. Without direct engagement between employees, collaboration weakens, reducing the development of collective problem-solving skills (Earley & Ang, 2003). Conversely, leaders who adopt a more flexible approach, such as Interviewee 15’s leader, foster more meaningful interactions: “At first, we followed a strict process, but over time, the leader encouraged us to collaborate more openly.”As the leader gradually shifted to a more participatory style, employees became more engaged, strengthening both trust and cognitive engagement. This transition from a directive approach to a more inclusive one allowed for greater knowledge-sharing and teamwork, demonstrating the importance of leadership adaptability in multicultural settings, where varying cultural expectations influence engagement levels (Pauliené, 2012).

Adler’s cultural synergy model highlights that leaders who integrate different cultural perspectives create an environment that enhances cognitive engagement

and fosters richer interactions among employees (Adler, 1997). This was evident in the experience of Interviewee 13, who described how their Dutch leader encouraged open discussions, allowing different viewpoints to emerge and be critically examined. Similarly, Interviewee 6 explained how structured yet interactive discussions under their Italian leader fostered deeper intellectual exchanges and strengthened collaboration. Leaders who promote peer learning and shared problem-solving, as seen in these examples, not only enhance engagement but also improve overall team cohesion.

Transformational leadership is particularly effective in promoting cognitive engagement because it nurtures a work culture where knowledge flows naturally between employees rather than being dictated solely from the top (Mühl, 2014). This dynamic was clear in Interviewee 15's experience, where their Indian leader initially maintained a directive style but later transitioned to a more participatory approach, leading to increased engagement within the team. Encouraging open dialogue and intellectual stimulation ensures that employees feel empowered to challenge ideas, refine their reasoning, and contribute meaningfully to problem-solving discussions (Northouse, 2022). In contrast, Interviewee 10 noted that their Egyptian leader in Sweden maintained a rigid top-down approach, which restricted team discussions and limited cognitive engagement. This reinforces the idea that leadership adaptability is critical in diverse teams.

Furthermore, communication styles that align with cultural expectations enhance engagement, as seen in the Dutch leadership style described by Interviewee 13, where employees were encouraged to participate freely in discussions and decision-making processes (Hofstede et al., 2017). In contrast, leaders who impose hierarchical structures in cultures that favor open collaboration may unintentionally stifle interactions, leading to disengagement. Ultimately, the way leaders facilitate collaboration among employees, rather than limiting interaction through rigid hierarchies, determines the level of cognitive engagement within teams. Transformational leaders who prioritize cultural awareness, adaptability, and open communication create environments where employees actively exchange knowledge, challenge ideas, and refine their thinking through shared learning.

These leadership approaches not only foster innovation and problem-solving capabilities but also contribute to the long-term success of teams in diverse work environments (Bass & Riggio, 2006). Leaders who successfully balance structured

guidance with intellectual stimulation empower employees to think critically, engage meaningfully, and contribute more effectively to team success.

5.2.2 Behavioural Engagement in Transformational Leadership

Behavioral engagement refers to how actively employees participate in workplace activities, collaborate with colleagues, and contribute to team dynamics. Transformational leadership plays a crucial role in shaping these behaviors by fostering an environment that encourages collaboration, communication, and initiative. Interviewee 6 described how their leader balanced structure with flexibility, promoting engagement through teamwork: “We are expected to contribute, but we also have the flexibility to discuss and shape our approach together.” This leadership style enhances behavioral engagement by allowing employees to take initiative while maintaining a clear structure that supports teamwork. Italy’s moderate power distance reflects this balance, where authority is present but participatory engagement is encouraged, fostering strong peer collaboration (Hofstede et al., 2017).

In contrast, Interviewee 10 described a more rigid leadership dynamic that limited peer collaboration: “We follow the leader’s directions, and most of our interactions revolve around completing assigned tasks.” With both Russia and Egypt exhibiting high power distance, employees tend to rely on leadership for direction rather than engaging in peer-driven problem-solving (Hofstede et al., 2017). In this case, the leader’s authority shaped interaction patterns, reinforcing a structure where engagement was primarily top-down rather than peer-led. The ability of leaders to adjust their approach plays a key role in shaping employee engagement.

Interviewee 13 observed how their Dutch leader encouraged open collaboration and idea-sharing: “We are expected to voice our opinions and challenge each other’s ideas. It makes discussions more engaging and productive.” In cultures with low power distance and high individualism, such as the Netherlands, leaders foster an environment where employees feel comfortable engaging freely with one another. This strengthens both problem-solving and mutual support, as employees are encouraged to think critically and challenge perspectives without hierarchical constraints (Hofstede et al., 2017).

A similar shift in leadership approach was noted by Interviewee 15. Initially, the leader maintained a directive style that limited collaboration. However, as they adapted to Sweden's low power distance culture, the team dynamic changed: "At first, we followed instructions without much discussion, but later, we were encouraged to contribute more, and our interactions became more meaningful." This shift highlights how leadership flexibility can transform engagement patterns, fostering a more interactive and collaborative work environment (Adler, 1997). By moving from a structured, top-down approach to a participatory model, the leader created more opportunities for employees to actively shape discussions and problem-solving processes.

Across different cultural contexts, leadership style directly influences how employees engage with one another. Leaders who prioritize open communication and encourage horizontal collaboration create environments where employees engage more freely in discussions, contribute ideas, and take ownership of tasks. On the other hand, leaders who rely on rigid hierarchies and centralized decision-making create engagement structures where employees primarily interact with leadership rather than with their peers.

In cultures where leadership authority is a defining factor, as seen in Interviewee 10's experience, employee interactions tend to follow a top-down model, with limited peer-driven collaboration. Employees focus on fulfilling assigned responsibilities rather than engaging in broader discussions. However, in environments with participatory leadership, as described by Interviewees 6, 13, and 15, interactions are more dynamic. Employees not only complete tasks but also engage in discussions, exchange knowledge, and challenge each other's thinking.

Recognizing the impact of cultural expectations on engagement is essential for fostering stronger team dynamics. Leaders who adjust their communication styles, decision-making processes, and delegation based on the team's cultural background create an environment where collaboration thrives. This was evident in Interviewee 15's case, where a shift from hierarchical to participatory leadership significantly improved peer interactions and engagement.

Adler's cultural synergy model suggests that effective leaders integrate diverse cultural perspectives to enhance engagement rather than imposing a single leadership approach (Adler, 1997). This was demonstrated in Interviewee 15's

experience, where their Indian leader adapted to Sweden's low power distance culture, ultimately fostering stronger collaboration and peer interaction.

Similarly, Interviewee 13, working under a Dutch leader, observed that open communication and participatory decision-making encouraged knowledge-sharing and dynamic engagement. Leaders who recognize and adjust to cultural differences create environments where structured leadership coexists with open collaboration, strengthening overall team engagement.

Transformational leadership supports behavioral engagement by promoting collaborative problem-solving, peer learning, and shared decision-making. This was evident in Interviewee 6's experience, where their Italian leader facilitated structured yet interactive discussions, allowing employees to collectively shape their work approach. In contrast, Interviewee 10 described a leadership style that maintained rigid, top-down decision-making, limiting opportunities for peer collaboration and independent initiative.

Leaders who encourage participation, adaptability, and inclusive communication foster stronger engagement, whereas rigid control structures tend to create work environments where employees interact only when necessary rather than engaging in continuous, collaborative exchanges.

Ultimately, behavioral engagement is strongest when leaders strike a balance between structure and participation, ensuring that employees interact not only with leadership but also with one another. Leaders who integrate cultural awareness, adaptability, and open communication create teams that demonstrate high levels of collaboration, mutual trust, and shared responsibility. This approach strengthens long-term team cohesion and performance, particularly in multicultural work environments where engagement strategies must be tailored to diverse expectations.

5.3 Transactional Leadership and Trust

A key insight from the interviews is how transactional leadership shapes employee interactions by reinforcing hierarchy rather than fostering collaboration. This leadership style primarily builds competency-based trust, emphasizing performance expectations while limiting meaningful exchanges between employees. As a result, engagement, communication, and collaboration are shaped by structured leadership rather than organic teamwork, particularly in culturally

diverse workplaces (Hofstede et al., 2017). In high power distance cultures, such as Afghanistan and Ghana, employees tend to defer to leadership, relying on hierarchical structures for workplace interactions. However, when leaders do not actively encourage peer communication, teamwork can become rigid and constrained. Interviewee 12 (Italian, Italy, Afghan leader) captured this dynamic: "Trust here is about following the rules, but that means we don't always engage with each other beyond the necessary." Without leadership-driven efforts to promote discussion, employees may interact only when required, limiting knowledge exchange and reducing opportunities for collaboration.

In contrast, low power distance cultures, such as Sweden and the Netherlands, tend to foster more egalitarian and interactive work environments. However, transactional leadership's emphasis on formal structures and rigid expectations can still restrict open dialogue. Interviewee 3 (Italian, Netherlands, German leader) described this tension, explaining that while their contributions were acknowledged, "it didn't feel like they were genuinely considered," illustrating how a lack of participatory leadership can weaken engagement and suppress cross-functional collaboration.

One key impact of transactional leadership is its tendency to create a divide in engagement levels within teams. Employees who are naturally independent and goal-driven tend to thrive under performance-based leadership, particularly in highly individualistic cultures like the U.S. and Switzerland. Interviewee 7 (South African, South Africa, American leader) reflected this experience, stating: "As long as you deliver, you're good," reinforcing the idea that transactional leadership encourages individual achievement but limits team-based cooperation. However, this same structure creates challenges for employees who rely on collaboration, mentorship, or informal peer engagement, resulting in a fragmented team dynamic where interaction occurs only when necessary.

The lack of cultural adaptability in leadership styles further exacerbates these interaction challenges. When employees hold different expectations about how trust and engagement should be built, leaders who fail to acknowledge cultural differences in communication and teamwork risk fostering environments where compliance takes precedence over collaboration (Adler, 1997). Interviewee 14 (Italian, Ghana, Italian leader) under a transactional leader highlighted this issue, explaining: "We do what's required, but there's little sense of belonging to the

team." This reinforces how leadership that prioritizes structure over relational engagement can reduce informal workplace interactions and weaken team cohesion.

The findings illustrate how transactional leadership reinforces structured, individualized work styles that limit relational engagement. While predictability and structure provide a solid foundation for professional trust, they do not necessarily promote meaningful interpersonal connections within teams. This aligns with Hofstede et al.'s (2017) research on cultural differences in workplace dynamics, where varying expectations of hierarchy and collaboration shape how employees respond to leadership structures.

A recurring theme is that transactional leadership, by focusing on competency-based trust, often results in employees prioritizing individual tasks over collaborative knowledge-sharing. Interviewee 7 described how structured leadership supports accountability but does not necessarily encourage informal peer engagement. On the other hand, Interviewee 3, working in a low power distance culture, expressed frustration that their input was acknowledged but not actively considered, demonstrating how rigid leadership structures can suppress participatory engagement.

Additionally, transactional leadership's emphasis on structured goal-setting leads to varying levels of engagement across cultural contexts. In high power distance cultures like Ghana and Afghanistan, employees tend to follow hierarchical structures, but as Interviewee 12 pointed out: "Trust here is about following the rules, but that means we don't always engage with each other beyond the necessary." This supports Adler's (1980) argument that cultural synergy is only achieved when leadership actively fosters peer communication rather than relying solely on rigid performance structures.

In Interviewee 14's case, trust was also hindered by culture bias that the leader struggled to address. They observed that Ghanaian employees were less likely to trust the women in the team, which deeply affected collaboration: "The team dynamics were completely messed up because they wouldn't take me seriously," they recounted. Without leadership intervention to address biases, transactional structures can reinforce workplace inequalities, limiting engagement and trust across diverse teams.

Conversely, in low power distance cultures such as Sweden and the Netherlands, employees expect more inclusive leadership styles. However, as Interviewee 14 explained, transactional leadership's focus on structure over relational engagement can still weaken teamwork. This aligns with Northouse's (2022) perspective that leadership effectiveness in multicultural environments requires adaptability in fostering meaningful interpersonal connections.

Ultimately, while transactional leadership is effective in establishing clear expectations and accountability, it falls short in promoting collaboration and engagement. To strengthen team dynamics, leaders should balance structured goal-setting with cultural adaptability, ensuring that employees not only meet performance expectations but also feel actively involved in decision-making and knowledge exchange.

5.3.1 Cognitive and Behavioral Engagement in Transactional Leadership

A key strength of transactional leadership is its ability to provide clear expectations and performance-based incentives, ensuring employees remain cognitively engaged with their tasks. Interviewee 7 reflected on this dynamic, stating: "Performance is the only thing that matters here: if you meet your targets, nothing else counts," reinforcing how structured environments create a sense of security and predictability. This aligns with Hofstede's (2017) research on uncertainty avoidance, where employees in structured work settings feel more comfortable knowing exactly what is expected of them. However, this form of engagement remains strictly task-focused, prioritizing completion over deeper motivation or innovation. Interviewee 3, working in a low power distance culture, noted that while their contributions were acknowledged, they were not necessarily valued beyond their immediate function. This reflects a key limitation of transactional leadership, which prioritizes compliance over empowerment, ultimately restricting employees' ability to actively shape their roles (Adler, 1980).

While transactional leadership fosters strong cognitive engagement, behavioral engagement often suffers, particularly in multicultural environments where team cohesion depends on informal trust and interpersonal relationships. Employees who thrive on autonomy, collaboration, or mentorship may find transactional leadership restrictive rather than motivating (Gelfand et al., 2007). A recurring theme in the interviews was how transactional leadership shapes employee interactions. By

focusing on structured rewards and performance-based assessments, this leadership style often limits informal interactions and organic teamwork, leading to workplace relationships that are more hierarchical and transactional rather than collaborative.

Interviewee 14's experience illustrated this clearly. Their leader's focus on individual accountability over team collaboration eroded trust and communication among employees. Instead of fostering cooperative problem-solving, the rigid transactional approach discouraged teamwork and innovation. This case demonstrates how a lack of leadership-driven collaboration can weaken group cohesion and restrict overall team performance. The absence of relational engagement further hindered informal communication, making it difficult for employees to form trust-based connections. Without leadership-facilitated interaction, employees worked in isolation, limiting opportunities for collective problem-solving and innovation. This highlights how rigid transactional leadership can reduce collaboration and discourage cross-functional engagement, ultimately restricting knowledge-sharing and synergy across teams.

Similarly, Interviewee 3, working in a low power distance culture, described how leaders adhered strictly to performance-based evaluations, leaving little room for relational engagement: "I knew what I had to do, but there was no real encouragement to go beyond that or collaborate more openly." Interviewee 5 echoed this sentiment, emphasizing how hierarchical structures restricted open communication, making it difficult for employees to connect beyond their assigned tasks.

Interviewee 7, in a high individualism work environment, experienced a leadership style that prioritized task completion over team cohesion. They observed that employees were assessed purely on measurable outputs, with little emphasis on fostering a supportive team culture. This reinforced the idea that while transactional leadership can drive efficiency, it often does so at the cost of meaningful workplace dynamics.

In contrast, Interviewee 9, who worked in an environment that balanced low power distance with high uncertainty avoidance, described how rigid transactional leadership limited innovation and cross-functional collaboration: "The rules were clear, but that meant there was no room for adapting to the unique strengths of the team." Similarly, Interviewee 12, working under a hierarchical but relational leadership model, noted that while structure provided clarity, the lack of informal

engagement hindered collaboration and ultimately reduced motivation within the team.

The case studies suggest that while transactional leadership effectively structures cognitive engagement, it often weakens behavioral engagement, particularly in multicultural and gender-diverse workplaces. Employees who value structure and goal-oriented work may thrive, but those who rely on relational support and collaborative decision-making often struggle to engage fully.

More importantly, transactional leadership can inadvertently suppress peer-to-peer interactions, limiting opportunities for innovation, shared problem-solving, and mutual trust. These findings reinforce Adler's (1980) assertion that culturally adaptive leadership is necessary for effective employee engagement. While structured leadership provides stability, it should be supplemented with relational trust-building and flexibility to enhance both cognitive and behavioral engagement in diverse teams.

Encouraging peer collaboration and informal knowledge exchange within a structured framework may help balance the strengths of transactional leadership while strengthening interpersonal dynamics in the workplace.

6. Discussion and Conclusion

Laissez-faire leadership frequently results in fragmented decision-making and disengagement, particularly among employees from high uncertainty avoidance and high power distance cultures, as described by Hofstede (2017). Employees in high uncertainty avoidance cultures tend to prefer clear structures and well-defined roles, making laissez-faire leadership particularly ineffective for them. Employees accustomed to structured guidance and hierarchical decision-making struggle in environments where leadership offers little direction. This dynamic supports previous research, which describes laissez-faire leadership as hands-off and passive (Northouse, 2022; Judge & Piccolo, 2004). Findings from the interviews confirm that laissez-faire leadership does not effectively foster cultural synergy, as described by Adler (1984). Employees from Sweden and Norway (low power distance, low uncertainty avoidance) perceived laissez-faire leadership as a trust-based model, aligning with Hofstede's dimensions, which suggest that individuals in these cultures prefer autonomy and informal collaboration (Hofstede et al., 2017). Conversely, employees from Italy (high power distance) viewed laissez-faire leadership as a lack of support and structure, leading to uncertainty and reduced engagement. Hofstede (2017) explains that in high power distance cultures, leadership is expected to provide strong direction and authority. The absence of clear leadership in laissez-faire settings, therefore, creates frustration and disengagement among employees who are accustomed to a hierarchical structure. This supports previous research on leadership adaptability (Adler, 1997; Bass & Riggio, 2006). Moreover, the lack of clear leadership direction resulted in the formation of informal subgroups, where employees turned to their peers rather than engaging across teams. This aligns with findings from Stahl et al. (2010), which highlight how ineffective leadership can exacerbate cultural divides rather than bridge them. The inability of laissez-faire leaders to provide structured guidance weakened cross-cultural communication, further reducing engagement (Trompenaars & Hampden-Turner, 1997).

Transactional leadership provides clear structures and performance-driven accountability, ensuring that employees understand role responsibilities (Bass, 1990; Northouse, 2022). While this approach reinforces hierarchical clarity, it limits informal collaboration and spontaneous knowledge-sharing (Kuhnert & Lewis, 1987). Employees under transactional leadership tend to focus strictly on tasks, engaging in minimal interpersonal exchanges outside of their direct responsibilities (Bass & Riggio, 2006). This study's results confirm that transactional leadership enforces hierarchical control but restricts cultural synergy (Bass, 1990). Employees from collectivist cultures (Italy, Switzerland) reported frustration with the transactional approach, as it did not foster relational interactions (Hofstede et al., 2017). This aligns with Adler's model, which states that effective multicultural leadership should facilitate open dialogue and shared learning rather than rigid compliance (Adler, 1984; Trompenaars & Hampden-Turner, 1997). Transactional leadership, by prioritizing individual performance over team cohesion, reinforced cultural divides instead of bridging them (Gelfand et al., 2007; Stahl et al., 2010). Additionally, findings from the interviews highlight that transactional leadership's effectiveness varies depending on employees' cultural expectations regarding structure and authority. Employees from high power distance cultures, such as Italy, reported that transactional leadership provided predictability and accountability, which they valued, but at the expense of collaborative flexibility (Hofstede et al., 2017). In contrast, employees from lower power distance cultures (e.g., Switzerland) felt that transactional leadership created barriers to open dialogue and innovation, reinforcing the challenges of cultural adaptability in leadership styles (Stahl et al., 2010).

Transformational leadership emerged as the most effective style for fostering social interactions, engagement, and trust. This leadership model integrates structured guidance with adaptability, encouraging meaningful discussions while providing clear direction. Transformational leaders actively promote intellectual stimulation, mentorship, and open communication, creating an environment where employees feel included and valued (Bass & Riggio, 2006; Northouse, 2022). Findings from the interviews support that transformational leadership fosters cultural synergy by blending structured decision-making with participatory engagement, ensuring that employees from diverse cultural backgrounds feel heard and valued. Employees in teams led by transformational

leaders reported higher trust levels, greater cross-cultural collaboration, and increased engagement. These findings align with Adler's cultural synergy framework, which emphasizes leadership's role in integrating diverse perspectives into cohesive team dynamics (Adler, 1997; Stahl et al., 2010). Furthermore, transformational leadership's emphasis on intellectual stimulation and individualized consideration (Bass & Riggio, 2006) encouraged employees to develop innovative solutions and engage deeply with team goals. The adaptability of transformational leadership aligns with Hofstede's cultural dimensions, particularly in low power distance and high individualism contexts, where employees thrive in participatory decision-making environments (Hofstede et al., 2017). However, even in high power distance cultures, transformational leaders who maintained structured guidance while fostering inclusivity saw improved trust and engagement. This further reinforces the idea that flexibility in leadership adaptation is critical for effective multicultural team management (Trompenaars & Hampden-Turner, 1997).

Adler's cultural synergy model suggests that effective leadership in multicultural teams requires recognizing both cultural differences and similarities, fostering integration rather than division (Adler, 1984). This study finds that transformational leadership aligns most closely with cultural synergy, as it encourages leaders to adapt their approach based on employees' expectations and cultural norms. Transformational leadership fosters trust, engagement, and participatory decision-making, essential elements for overcoming cultural barriers and improving communication within diverse teams (Bass & Riggio, 2006; Northouse, 2022). In contrast, laissez-faire and transactional leadership styles fell short in promoting cultural synergy due to their rigid or passive approaches. Laissez-faire leadership, characterized by minimal intervention, led to fragmented decision-making and disengagement, particularly among employees accustomed to structured guidance (Judge & Piccolo, 2004; Hofstede et al., 2017). This aligns with Hofstede's (2017) findings that employees in high uncertainty avoidance cultures struggle in unstructured environments, leading to lower engagement and increased stress. Transactional leadership, while structured, emphasized hierarchical control and task completion over relational engagement, limiting cross-cultural collaboration (Bass, 1990; Stahl et al., 2010). This finding supports Trompenaars & Hampden-Turner's (1997) argument that transactional leadership fosters

compliance rather than innovation, making it less effective in culturally diverse teams that require adaptability. Additionally, Adler's (1984) cultural synergy model suggests that leadership must facilitate shared learning and open dialogue, which both laissez-faire and transactional leadership styles failed to achieve. By integrating structured guidance with flexible leadership styles, transformational leaders ensure that employees feel valued and heard, reinforcing Adler's principle of cultural synergy (Adler, 1997; Stahl et al., 2010). Moreover, transformational leadership aligns with Hofstede's (2017) cultural dimensions, particularly in managing teams by providing structure while encouraging participatory engagement, reducing hierarchical barriers, and fostering cultural integration.

6.1 Contributions to Research and Practice

This study deepens the understanding of how leadership styles influence social interactions in multicultural teams, offering insights that bridge research and practice. From a theoretical perspective, the findings highlight how leadership effectiveness is shaped by cultural dynamics, emphasizing cultural synergy as a critical factor in fostering collaboration and engagement.

Transformational leadership, in particular, emerges as the most effective model for facilitating positive social interactions, demonstrating that adaptability within leadership frameworks is essential for cohesive teamwork in diverse environments. Building on existing research that underscores leadership's role in shaping team interactions (Adler, 1997; House et al., 2004), these findings reinforce Van Knippenberg et al.'s (2004) argument that trust and engagement are fundamental in culturally diverse teams. However, this study extends that discussion by illustrating how transformational leadership actively cultivates an inclusive environment where employees feel valued and encouraged to contribute. Similarly, it aligns with Earley and Ang's (2003) work on cultural intelligence, further supporting the idea that effective leadership in multicultural settings requires both adaptability and an awareness of cross-cultural communication patterns.

This research also contributes to the broader discussion on cultural synergy, demonstrating that leaders who actively integrate diverse perspectives into team processes, rather than simply accommodating differences, create stronger, more engaged teams (Lauring, 2012). Findings highlight that transformational leadership

facilitates open communication and knowledge-sharing, reinforcing previous studies on global workforce dynamics (Stahl et al., 2010). Additionally, this study builds on Rockstuhl et al.'s (2011) research on trust formation in multicultural teams, providing empirical evidence that transformational leaders strengthen trust by maintaining clear communication and establishing shared norms that align with diverse expectations.

Beyond expanding leadership theory, this study underscores the necessity of integrating cultural frameworks into leadership strategies. Cultural synergy, as reflected in these findings, goes beyond diversity management by recognizing cultural differences as strengths rather than barriers. Leaders who implement culturally adaptive strategies reduce miscommunication, minimize conflict, and improve team cohesion. These insights align with the GLOBE study (House et al., 2004), which highlights the variation in leadership expectations across cultures and the need for leadership approaches that account for these differences.

By showing how transformational leadership accommodates cultural nuances, this study adds to the broader discourse on culturally intelligent leadership and its role in managing diverse teams effectively. From a practical standpoint, these findings have direct implications for leadership development in global organizations. Companies operating in multicultural environments can leverage this research to refine their leadership training programs, emphasizing skills such as cultural awareness, adaptability, and inclusive communication. Training leaders to integrate cultural synergy into their management strategies enables organizations to build environments that foster collaboration and innovation while reducing disengagement and cultural misunderstandings. Organizations can further reinforce transformational leadership by introducing mentorship programs, cross-cultural training initiatives, and participatory decision-making frameworks that encourage open dialogue. These measures create workplaces where diverse teams not only function effectively but also capitalize on cultural differences to drive innovation and strengthen team cohesion.

This study also informs global HR strategies by illustrating why leadership approaches must align with cultural diversity. HR departments can apply these insights to recruit and develop leaders who exhibit transformational leadership qualities, ensuring that leadership strategies meet the needs of multicultural teams. By fostering an environment where cultural synergy is embedded in leadership

practices, organizations can enhance trust, engagement, and overall team performance. These findings are particularly relevant in an era of globalization, where companies increasingly operate across diverse markets and require leadership strategies that extend beyond conventional frameworks to prioritize cultural adaptability as a core competency.

6.2 Suggestions for Future Research

Despite its small scale, this study provides meaningful insights into how leadership styles influence social interactions in multicultural teams. By emphasizing cultural synergy and transformational leadership, the findings deepen understanding of how leadership adaptability shapes trust, engagement, and collaboration. While the sample size limits generalizability, these results offer a foundation for future research.

Future studies should examine the long-term impact of leadership adaptability on team cohesion and performance, particularly how leaders sustain trust and engagement. Given limited research on coworker interactions in multicultural teams, further exploration of peer-to-peer communication's role in psychological safety and collaboration would clarify leadership's indirect influence on team culture. Quantitative research could assess how leadership behaviors, such as inclusivity, mentorship, and participatory decision-making affect well-being and productivity in multicultural environments.

As digital communication tools become integral to global work structures, investigating their role in cross-cultural leadership effectiveness could reveal how technology shapes engagement and knowledge-sharing. Interdisciplinary research on leadership in multicultural settings would provide insights into adapting strategies across industries. Expanding the understanding of cultural intelligence and adaptive leadership would refine frameworks for managing diverse teams in a globalized workforce. Future research combining psychology, organizational behavior, and communication studies can refine leadership models that strengthen inclusion, trust, and collaboration.

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Appendix A: Interview Guide

Interview Guide

Interviewee details

| Interviewee # | Date and location | Nationality | Company's location | Leader's nationality |
|---------------|-------------------|-------------|--------------------|----------------------|
| | | | | |

Interview Introduction

Thank you for your willingness to participate in this interview and in my study on how leadership styles influence interactions in multicultural teams.

This interview will last between 45 to 60 minutes and will be recorded to ensure an accurate transcription and analysis of our conversation. Your confidentiality is guaranteed: your responses will be fully anonymized, and your name will not be associated with any published findings. The recordings will be securely stored on my personal hard drive, accessible only to me, and will be permanently deleted once the study is completed.

Before this interview, I sent you an informed consent form outlining the study's purpose and your rights as a participant. Do you have any questions about it?

If everything is clear and you're comfortable proceeding, I will begin the interview now.

((START RECORDING))

Introduction/Warm-Up Questions

These questions help ease participants into the interview and gather contextual information about their experience:

1. How long have you been part of this team, and how diverse is its cultural makeup?
 2. Can you tell me about your experience in working in a multicultural team?
-

Leadership Styles

3. How would you describe your leader's approach to managing the team?

Do they actively guide the team, or do they take a more hands-off approach?

Is any feedback given? And if so, how?

4. How are the goals for the team set?
 5. Are decisions made in a collaborative way, or is it more top-down? How does this affect the team?
 6. Which kind, if any, guidelines does your manager set?
 7. How does your leader motivate or inspire the team, especially considering the different cultural backgrounds?
 8. When the team faces challenges, how does your leader typically respond?
 9. Can you recall a specific time when your leader's actions either helped or hindered the team's progress?
-

Leadership's Impact on Cultural Interactions

9. How does your leader address cultural differences within the team?
10. Do you feel your leader creates an environment where everyone's cultural background is respected? How so?
11. Can you share an example of how your leader managed a situation where cultural differences caused misunderstandings or conflicts?
12. Does your leader encourage collaboration and communication across cultural boundaries? How do they do it? You can use an example if you'd like
13. Do you feel your leader ensures that everyone has an equal opportunity to share their ideas and participate in discussions?

Group Dynamics and Trust

14. How do cultural differences among team members influence the way the team works together?
15. How would you describe the level of trust within your team? How has your leader contributed to that?
16. How does your leader foster collaboration among team members from diverse cultural backgrounds?
17. How does your leader manage disagreements or conflicts within the team? Do you feel their approach is effective?
18. Do you feel your leader involves the team in decision-making? How does this affect team cohesion?
19. Were there any new special protocols that your team leader created to better the work environment in your group? Were you a part of the process?
20. Do you feel that your leader is trying to understand you?

Perceptions of Leadership Effectiveness

21. Do you think your leader adapts their leadership style to accommodate different cultural perspectives? How so?
22. How has your leader's approach influenced your motivation and ability to collaborate with others in the team?
23. Have you experienced situations where your leader's actions helped the team overcome cultural barriers? You can use an example
24. Does your leader encourage experimentation and innovation, even when there's a risk of failure?
25. Do you feel more at ease when your leader acts in similarly to you?
26. What do you think your leader could do differently to improve team dynamics and interactions?

Personal Reflection and Closing Questions

27. What has been the most rewarding aspect of working in a multicultural team?
28. What challenges have you faced when working with team members from different cultures, and how has leadership affected these challenges?
29. Can you describe a specific moment when the team achieved great results? What role did your leader play in this success?
30. Do you think your leader's style helps or hinders communication among team members? Why?
31. If you could give one piece of advice to your leader about managing a multicultural team, what would it be?

Appendix B: Information Sheet

Information Sheet

Master's Thesis Study on Leadership Styles and Employee Interactions in Multicultural Teams

Dear Participant,

Thank you for your interest in participating in this research study on Leadership Styles and Employee Interactions in Multicultural Teams. I appreciate your time and willingness to contribute to this study. Below, you will find further details about the research. Please feel free to reach out if you have any questions or uncertainties.

Focus and Aim of the Study

In today's globalized workplace, leadership styles significantly influence how employees interact, collaborate, and build trust within multicultural teams. This study aims to explore the effects of different leadership approaches on team dynamics and employees interactions. The findings of this research will contribute to a better understanding of how leadership can enhance or hinder how team members interact in multicultural settings.

Methodology

The collection of empirical material (data) will be done through semi-structured interactive interviews with employees who can provide valuable insights based on their experiences with leadership in multicultural teams. The interviews will be conducted either in person or on an online videoconference platform of the participant's choosing (ex., Zoom, Google Meet) and will be held in English or Italian. The data collection process will follow these steps:

1. Participants will engage in a 45-60 minute interview regarding their working experience in multicultural teams.

2. Interviews will be audio-recorded (with the participant's informed consent).
3. Audio recordings will be transcribed for analysis, ensuring that all personally identifiable information remains anonymous.
4. If requested, participants will have the opportunity to review and approve their transcript.
5. All collected data will be stored securely and will be accessible only to the researcher.
6. Upon completion of the study and approval of the final thesis, all collected data will be deleted.
7. The final study will be published in Lund University's database for student research projects.

Ethical Considerations

- Confidentiality: All personal information, including names, job titles, and employer details, will remain confidential and anonymized. No personal details will be shared, and privacy will be strictly maintained.
- Voluntary Participation & Right to Withdraw: Participation in this study is entirely voluntary. You may withdraw from the study at any point before, during, or after the interview without any consequences.
- Potential Risks: No potential physical or psychological risks have been identified for participants in this study.

Contact Information

If you have any questions, require further information, or wish to withdraw from the study, please feel free to contact me at:



Thank you again for your valuable contribution to this research.
Please keep this document for your own records.

Appendix C: Consent Form

Informed Consent for Participation in a Research Interview

Master's Thesis Study on Leadership Styles and Employee Interactions in Multicultural
Teams

I, _____, agree to participate in a research study led by Emma Cerasoli (researcher) from Lund University, Campus Helsingborg. The purpose of this document is to specify the terms of my participation in the project through being interviewed.

Terms of Participation

1. I have received sufficient information about the research project and understand the purpose of my participation as an interviewee.
2. My participation in this project is voluntary, and I acknowledge that there is no explicit or implicit coercion to participate.
3. Participation involves an interview conducted by Emma Cerasoli (researcher). The interview will last approximately 45 to 60 minutes. I allow the researcher to take written notes during the interview and to record the interview (audio recording). I understand that I can decline the recording and still participate in the interview.
4. I have the right not to answer any question. If I feel uncomfortable at any point during the interview, I have the right to withdraw from the interview without any consequences.
5. I have been given the explicit guarantee that the researcher will not identify me by name in any reports derived from this interview. My confidentiality as a participant in this study will be protected, and any data collected will be used in accordance with the data protection policy of Lund University.
6. I have the right to withdraw my consent at any time without explanation by contacting the researcher.
7. I understand that there are no direct benefits to participating in this study.

If you have any questions or wish to withdraw from the study, please contact:



Date: _____

Participant's Signature: _____

Researcher's Signature: _____

Please keep a copy of this document for your own records.