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Managers in the NAFTA countries A cross-cultural comparison of attitudes toward upward influence strategies

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Abstract

This paper presents a cross-cultural comparison of U.S., Canadian-Anglophone, Canadian-Francophone, and Mexican managers' attitudes toward upward influence strategies. Generally, it was found that all four groups have similar perspectives in terms of the relative acceptability of various influence strategies. However, examination of absolute ratings of influence behaviors suggests that Canadian-Francophones could serve as a cultural "linking-pin" along a continuum anchored by Anglo cultures at one end and the Latin-American culture of Mexico at the other. Implications for cross-cultural interactions within the NAFTA region are discussed.

Keywords: Upward influence tactics; Cross-cultural attitudes; Managers; NAFTA

1. Introduction

Ratification of the North American Free Trade Agreement (NAFTA) created one of the largest markets in the world. The member nations (Canada, the United States, and Mexico) consist of 375 million consumers and have a combined GNP in excess of US $6.5 trillion. This historic agreement removes many barriers to trade and investment among the member nations and, in turn, open access to this huge internal market should help make many firms in the NAFTA region more globally competitive through economies of scale and rationalized

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production (Jain and Ralston, 1996). During the first 5 years of NAFTA (January 1, 1994 through December 31, 1998), total trade in goods and services among the three member nations increased by approximately 76% to more than US $531 billion (Canada Department of Foreign Affairs and International Trade, 1999; SECOFI, 1999; U.S. Census Bureau, 1999). During the first 5 years of NAFTA, Canada and the United States continued to be each other's largest trading partner with an 80% increase in trade resulting in an over US $1 billion daily exchange in goods and services. Mexico is now the United States' third largest trading partner (113% increase in total trade from 1993 to 1998) and Canada's third largest source of imports and tenth largest export market (39% increase in total trade from 1993 to 1998). The United States and Canada are Mexico's largest export markets (first and second, respectively). In 1998, 32% of the United States' total world trade (compared to 28% in 1993), 82% of Mexico's total trade (78% in 1993), and 77% of Canada's total trade (74% in 1993) was with other NAFTA countries. NAFTA has also brought significant increases in direct foreign investment within the North American region. United States direct investment in Canada has increased by 63% (to US $98 billion), whereas Canada's investment in the United States has increased by 86% (to US $85 billion). During the same period, Mexico's direct investment in Canada has tripled to US $310 million, whereas Canada's investment in Mexico has increased by 324% (to US $1.5 billion). In total, these trade and investment statistics demonstrate the strong and rapid impact of NAFTA to create a more integrated North American economy.

One implication of the strengthening of economic ties within the NAFTA region is the increased importance of developing effective working relationships across national and cultural boundaries. In particular, there is a greater need to accommodate behaviors of the other culture when individuals from Anglo and Latin American cultures work together (Kelley et al., 1987; Morris and Pavett, 1992; Stephens and Greer, 1995; Gabrielidis et al., 1997). This mutual accommodation encompasses a vast array of managerial behaviors. One significant category of these behaviors that is an important part of a manager's effectiveness is the ability to influence other members of the organization to obtain desired outcomes (Mayes and Allen, 1977; Allen et al., 1979; Kipnis et al., 1980; Schriesheim and Hinkin, 1990; Yukl and Falbe, 1990; Yukl and Tracey, 1992).

Managers, in the attainment of their work objectives, often need to direct subordinates. Frequently these managers also need to influence their superiors, over whom they possess no formal power (Organ and Bateman, 1990). To exert this type of influence, a manager must develop and utilize a set of informal influence strategies (Mowday, 1978; Porter et al., 1981; Ansari and Kapoor, 1987; Schilit and Locke, 1982; Kipnis and Schmidt, 1988; Tandon et al., 1991). Research comparing managers from Asian and Western cultures has shown that whereas they use all the various types of strategies available, national culture appears to play an important role in determining preference for certain influence strategies (Schermerhorn and Bond, 1991; Ralston et al., 1993b; Ralston et al., 1994; Ralston et al., 1995c).

The successful use of upward influence strategies has been shown to be instrumental in managers attaining desired outcomes (both professional and personal) from their superiors (Deluga and Perry, 1991). Therefore, upward influence relates to the effectiveness and success of both the organization and the individual. Since influence style is a relevant part of the overall superior–subordinate relationship, and since the ability of superiors and subordinates