

A Work Project, presented as part of the requirements for the Award of a Masters Degree in Management from the NOVA – School of Business and Economics.

**LEADERSHIP IN ANGOLA AND MOZAMBIQUE: HOW PORTUGUESE  
LEADERS OVERCOME THE HUMAN RESOURCES CHALLENGE AND  
CONTRIBUTE TO ORGANIZATIONAL SUCCESS**

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## **Abstract**

### Leadership in Angola and Mozambique: how Portuguese Leaders overcome the Human Resources Challenge and contribute to Organizational Success

This Work Project presents human resources as one of the major challenges that Portuguese leaders meet in Angola and Mozambique. The main goal is to understand the role of leaders in translating this challenge into benefits for their own business and the African society. To conduct this study 13 leaders who work in Portugal and Africa were interviewed. Then, a framework was constructed based on the two ways these leaders recognize the importance of their employees for sustainable growth – financial incentives or/and personal development. The main conclusion here is that individually, incentives and personal development are not effective methods. Because of this, an employee empowerment process is proposed that encloses both, along with the leaders' personal qualities needed to implement that “ideal” process.

**Keywords:** Africa, Culture, Education, Employee Empowerment, Global Mindset, Portuguese Leadership, Trust

## **Introduction**

The persistent Portuguese economic crisis forced thousands of Portuguese people to leave their home country to find new opportunities abroad. Basically, the financial crisis of 2007 still has negative effects in Portuguese economy today: output stagnation, high and increasing levels of indebtedness, low and decreasing levels of saving, increasing unemployment of younger workers and governance problems (Andrade & Duarte, 2011).

Companies are expanding to Angola and Mozambique, as these countries are offering multiple business opportunities that Portugal can't possibly offer at the moment. It is estimated that 300 000 Portuguese nationals have left Portugal. In addition to this, the Portuguese embassies in Luanda and Maputo have reported a 25% increase in the number of registered labor migrants (Kvamme, 2013). Portuguese citizens chose these African countries because of the historical, political, economic and ethnic links and because of their attractive annual GDP growths – around 6% and 7% since 2008 (Sanga & al, 2013).

Nonetheless, contrasts are a reality. According to interviewers, Portuguese leaders are challenged every day regarding social, political and economic dimensions. At social level, leaders agree that there is abundance of workforce but qualified workers are a rarity; however, the available ones are excellent professionals. Moreover, relationships between leaders and employees lack trust, which makes the structure of the companies very centralized with Portuguese professionals occupying top positions. Concerning economics, mistrust is frequently present in relationships between companies and their clients. In fact, every project requires leaders to invest huge amounts of money and the

need to have the return of the investment in the short run rarely allows for credit allowances. Lastly, bureaucracy problems and corruption persist over time. Hence, besides similarities between Portuguese and Mozambican/Angolan laws, leaders recognize the importance of having extra money and knowing the ideal partners to do business to facilitate the entrance and operations in the market. Moreover, a good relationship with the government is a plus as a facilitator to embrace new projects, especially for the companies whose projects involve partnerships with the government.

Despite the aspects that test businesses every day, leaders expect to see their effort financially compensated, providing investors with good financial incentives. To help leaders achieve their goal, the focus of this project will be on human resources (employees). In fact, good relationships between leaders and their employees are the basis for economic and social sustainable growth, and Portuguese leaders still have some difficulties in understanding how beneficial these relationships can be.

The purpose of this study is to reflect on:

- How can Portuguese leaders overcome human resources challenge and contribute to organizational success?

We used qualitative research method to answer this question, and 13 semi-structured interviews were conducted.

The report is composed by 5 sections: leadership review, methodology and results, the model proposed and main conclusions.

## **Global Leadership, Acculturation and Human Resources**

The most common way to define leadership is through the observation of individual leaders and analysis of their personality traits (Western, 2007); if leaders have some particular characteristics, it is believed they will be successful in any situation (Fleenor, 2011). Nonetheless, Fleenor's study adds a gap regarding the traits' lists, as it concludes that there are too many leadership variables with low reliabilities. In fact, to succeed in the 21<sup>st</sup> century, leaders must rethink their traditional views and develop new attitudes and abilities (Perrin & al, 2010).

Globalization is a modern phenomenon that affects business environment and societies. In this African case, the increase of the dependence level between Portuguese and Angolan/Mozambican cultures makes national boundaries irrelevant. However, people from different cultures have different beliefs and act differently and Portuguese leaders must understand that it takes more than to be aware of the company's core business. Thus, it is equally or more important to have broader/cultural knowledge to succeed in those international environments and that includes allocation of resources within the organizations in a way that traditions and values are respected (Adekola & Sergi, 2007).

Before the creation of an organizational culture, leaders must themselves adapt to the new context. More precisely, they should be able to effectively lead across borders, serve different stakeholders, lead with uncertainty and complex environments, which requires the development of a global mindset (Buechel, Sorell, & Tungli, 2014) – the ability to work under cultural diversity and act according to the interest of the group (Evans, Pucik, & Barsoux, 2002). Nonetheless, facing cultural diversity and taking decisions that satisfy both leaders and employees can be very complex. The

acculturation process is not an easy process and, despite all the preparation and skills, leaders can suffer from feelings of distress, helplessness and hostility towards the new environment – cultural shock (Hofstede, 1991). Thus, if not adequately managed, these feelings can negatively affect the performance of the company.

Cross-cultural management is a concept that comprises global management and human resources interactions. It explains the behavior of people in organizations around the world, highlighting the importance of intercultural cooperation between workers and leaders (Adler & Gundersen, 2008). Actually, team collaboration – communication, cooperation, trust and conflict management (Gehrke & Claes, 2014) – can ease the acculturation process and help leaders adapt to some local values, work under new conditions and integrate into the new social network (Hofstede, 1991).

At the same time, working with people from different cultures requires an effective human resources management, where differences are recognized, accepted and perceived as relevant for the success of the company (Clipa, 2009). In other words, an effective management allows the creation of an organizational culture where tasks are executed in an effective and creative way, creating competitive advantage over others. Therefore, besides all the procedures that involve planning and adaptation to the environment, leaders need to understand that international management requires the choice of a management system that is also dependent on the nature of the country in order to motivate the people involved (Adekola & Sergi, 2007).

Regarding my study, it will include these theoretical aspects in a practical way. The idea is to help leaders achieve their goals faster if they are interested in investing in Angola and Mozambique.

## Methodology

As this study requires contact with participants and more than simple data collecting, the chosen method was the qualitative research method. Unlike quantitative research, qualitative methods provide richer answers, allowing deep understanding of facts. Moreover, as participants have different senses of the world and different experiences regarding the same matter, it is interesting to listen and analyze different perspectives of similar situations (Tewksbury, 2009). The most important when conducting this kind of studies is the sense of trust that must be demonstrated to the researched to be able to address all the essential topics (Griffin, 2004).

To conduct this study, I selected 13 Portuguese leaders using snowball sampling. This methodology was used because it was impossible to find these 13 leaders working in these developing countries on my own, and so I needed to ask members to find other members (Elder, 2009). From those 13 interviews, 10 were done personally and the remaining 3 via Skype, taking between 30 and 60 minutes each. The questions asked are in the Appendix.

From those 13 leaders, 7 are working in Mozambique, 4 in Angola and 2 in both countries. These leaders operate in the industries listed in the following table:

<b>Angola</b>	<b>Mozambique</b>	<b>Both countries</b>
Cleaning products, international trade of medicines, wood and construction	Maritime transportation, post, automobile, hotel, oil derivatives, energy and construction	Water and specialized engineering

**Table 1: Industries where interviewed Portuguese leaders operate**

Additionally, three things should be taken into consideration:

- 9 out of 13 companies are operating in Portugal and abroad, including Angola and Mozambique. In those countries, they keep their Portuguese administration;
- 4 remaining companies were “born” in Africa under Portuguese control and have no activity in Portugal;
- In some cases, there are partnerships between the state and Portuguese companies, mainly in sectors as water, postal and oil. So, both Portuguese and African professionals direct the projects.

Concerning the interviewees, they occupy top managerial positions (partners, administrators, directors and secretary generals) or are the leaders of the companies. It is also important to stress that the interviews done are valid. More precisely, 11 of them were validated through member checking. The remaining 2 were not validated that way, because leaders were not in Portugal at the time of the elaboration of the project. However, after concluding the interviews, the 2 leaders placed all confidence in me when doing the study.

After we had finished the interview, they were thoroughly analyzed in order to identify some patterns and differences that could exist. By thorough analysis I mean successive phases of a *coding process*; once the transcription of the interviews was done, sentences regarding social, economic and political challenges were grouped into several categories. After the identification of patterns, they were put together into a smaller/meaningful number of categories (Creswell, 2003). At the end of the process, it was concluded that all the major findings were totally or partially related to human resources and that's why it was chosen (aligned with leaders) to elaborate this project.

In addition, according to Participant J: *“All companies here, Portuguese or not, find human resources the biggest challenge”*.

## **Results**

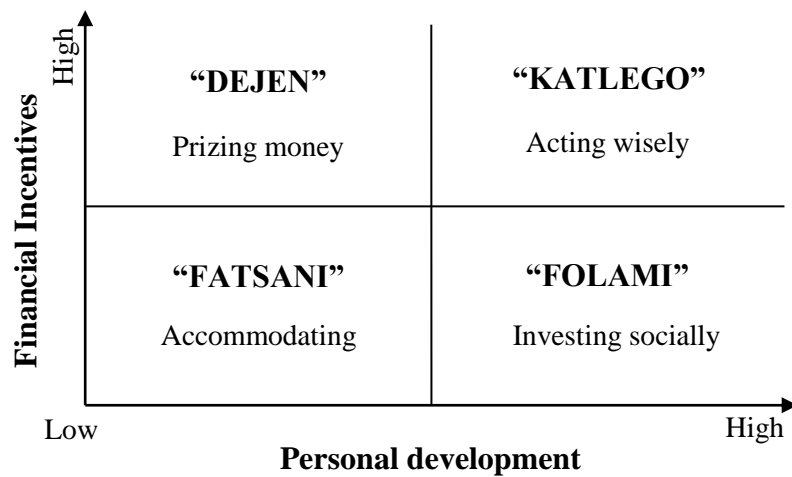
As it was explained in the Introduction, Portuguese leaders are challenged by three dimensions in Africa: social, economic and political. In addition to this, leaders recognize the importance of collaboration with their employees to handle some difficulties regarding those dimensions. Basically, a qualified and efficient workforce is important to increase productivity and economic results and, as huge initial investments are needed, trust relationships are important to manage bureaucratic issues and investment planning. However, reality isn't so easy to deal with as it would seem. Besides this assumption, Portuguese leaders face two major troubles that impact the operations of the company: low academic education and culture shock. As a result, leaders usually prefer to occupy top positions and deal by themselves with management issues, keeping a “power distance” from their employees – rigid hierarchies where power is centralized in few hands and employees are expected to be told what to do (Hofstede, 1991).

Before presenting the model, it is relevant to briefly define “education” and “culture”, the two constraints here. Starting with education, it can be formal and informal; formal education is understood as a structured model given a set of laws and norms, whereas informal education corresponds to extra skills that are obtained with activities outside the traditional curricula (Melinic & Botez, 2014). Culture, in modern terms, is the knowledge, belief, arts, morals, law, custom, and other capabilities that each person

acquires as a member of society (Tharp, 2009). In fact, education and culture are related with each other in a way in which education (social level) is one of the layers of culture, apart from national level, ethnic affiliation, gender level, generation and corporate levels (Hofstede, 1991).

Once more, due to cultural divergences and educational asymmetries, Portuguese leaders believe they have better knowledge and management practices to conduct all projects independently. Nevertheless, they also understand the importance of collaboration to improve overall performance. Surprisingly, as showed by interviews, what is currently happening in Africa is that the majority of leaders is beginning to show interest in their employees, encouraging them, which decreases power distance. This is, Portuguese leaders are trying to engage employees to create a standardized culture in the company, which at the same time they believe it overcomes troubles caused by cultural diversity. The two major types of “tools” used by the Portuguese are: financial incentives and/or personal development. By financial incentives, leaders refer to extra financial support (apart from salaries), or higher salaries than the ones that are legally required, or salaries with fixed and variable parts. On the other hand, words as “control”, “teaching”, “training” and “support” are used by leaders as references to personal development. In fact, despite centralized structures, leaders believe that it is important to use one or another tool to overcome the human resources challenges and contribute to organizational success.

That said, the following framework was constructed:



**Figure 1: Ways that Portuguese leaders use to decrease power distance**

The first cluster is called “FATSANI”, which in Africa means “to be meek”. In this cluster, leaders accommodate; they use fast and low cost strategies to engage their employees. The second cluster is called “DEJEN”, what corresponds to “support” (in this case, financially support). Here, Portuguese leaders consider money as the ideal incentive to their employees. The third cluster is called “FOLAMI”, which means “respect”. In this case, leaders consider personal investment more important than just money to engage employees. Therefore, they will formally educate their employees, trying to respect their cultural values. Finally, the last cluster is called “KATLEGO” that means “success” in Africa. In this cluster, leaders consider that a combination of money and personal development of their employees is the key to achieve organizational success.

### “FATSANI”

Leaders that face challenges but believe that there is nothing special they can do to improve employees' performance are grouped in this cluster. For instance, instead of trying to understand the cause of the situation, they try to find fast solutions that seem more feasible and less costly to improve productivity results. As exemplified by Participant C: *“Workers are unlikely to meet schedules and when I pay the wages, few of them come to work the next day. That’s why I have more workers than I need to overcome this kind of situations”*.

This situation where the leader “accommodates” and doesn’t try to figure out an efficient solution to motivate and engage the workers is more common in sectors that don’t need people with high education level, as construction and hospitality.

### “DEJEN”

Another cluster comprises the leaders who consider the financial incentive important to engage African employees into their daily tasks. From the interviews, two major different cases were found regarding this point. In the first case, leaders incorporate those monetary incentives into the wages:

- Participant G: *“Remuneration has a fixed and a variable part that encloses productivity, behavior and compliance of objectives. They are sensible to that and they fight for the best work performance they can”*.
- Participant J: *“The minimum salary here is 105€ and the cost of living is two, three times higher than in Portugal. It is very low. We don’t pay that salary. At maximum, there are 10 people (out of 250) earning below 250€”*.

In the second case, leaders are considered to be a help for the employees and give them extra money when they need it. As Participant C illustrated: *“I pay the meals and transportation. Besides that, when they need I pay taxi for them to go back home or drinks, and if they ask me I lend them money”*.

#### **“FOLAMI”**

Instead of financial incentives, some leaders believe that investing in employees’ personal development is more compensating, not only for the company but for society in general. That is, when you train and coach employees so that they can be more “formally” educated and able to take decisions independently, it also contributes to improve one of the critical points that predominates in African society – low academic education. According to Participant J: *“They have no learning difficulties but have little academic education. From 250 workers, only 10% have school education and 3% have no complete graduation. So when we decided to internationalize our company, we brought with us all the superior and technical staff. In my opinion, there is not enough knowhow and education here to command a company”*.

As that company, the remaining Portuguese companies take expatriates with them to occupy the top positions (except the ones that have partnerships with the government). Therefore, the structures are very hierarchical with Portuguese workers leading the companies. In accordance with Participant L: *“Our structure is very centralized. The top of the company is Portuguese and the teams that are formed in Angola always have an expatriate leading them”*. In truth, it is not difficult to find people available to work in countries such as Angola and Mozambique. The problem is their low qualifications and the need to have expatriates leading them. As participant L added: *“In a year and a half*

*our workforce has increased from 10 to 90 people, showing that it is not very difficult to find employees. The problem is the lack of pharmacists in Angola (qualified workers). To address this problem, we need a technical director in each pharmacy and he can assume that position in up to 5 different pharmacies. In addition, there is an expatriate leading those teams”.*

Nonetheless, there are qualified people, but in a very small number; as Participant K stated: *“Qualified people are starting to appear, but they are still too few for the needs”*. For now, companies need to join efforts in order to overcome this big challenge. Participant L explained her strategy: *“We are constantly travelling to Angola to give training and support. This way we can take the best out of Angolan people”*. In fact, the results of personal development can be very good as they like learning and have good intellectual potentialities. However, it is a process that takes time. Participant D illustrated this situation: *“Some years ago, the most important positions were not performed by Mozambicans. For instance, for many years, the chief engineer was English. During that time, he formed a team of Mozambicans engineers. Thus, when he decided to retire about four years ago, a Mozambican engineer took his place”*.

#### **“KATLEGO”**

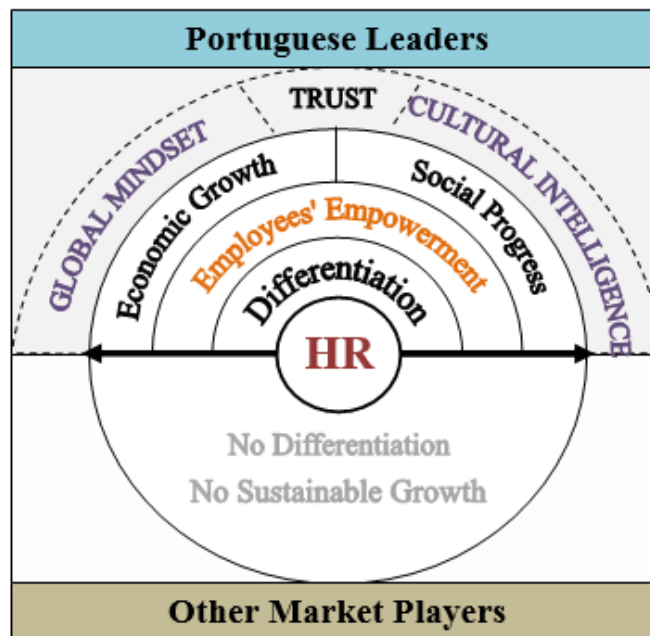
In this cluster, leaders are supposed to motivate employees with both financial incentives and personal development investments. From the interviews, no data was provided regarding this matter.

Nonetheless, recognizing the importance of both accountability ways, the analysis that follows will put personal development and financial incentives in a sequential manner,

suggesting an “ideal” employee empowerment process. Individually, those variables are not sufficient to a successful organizational success. For example, Participant C appears both in “FATSANI” and “DEJEN” clusters which mean that money incentives are not enough because it is constantly necessary to recruit more employees to face absenteeism. Regarding personal development, employees recognize its importance but for sure they want to be rewarded by their progress inside the company.

Still, before the presentation of the process, it is essential to present some characteristics that Portuguese leaders should have. More precisely, a global mindset (and cultural intelligence) and sense of trust are the most important features when deciding to embrace a challenge that involves cultural diversity. Without them, there is no way you can implement the “ideal” empowerment process and be a good global leader.

- LEADER’S FEATURES



**Figure 2: Empowerment as a differentiation strategy**

### Global Mindset (and Cultural Intelligence)

In this study, Portuguese leaders face the challenges of crossing cultural boundaries and interact with African people that have not only a different vision, values and practices but also different life experiences and academic education. Therefore, being mentally global is essential to overcome ethnocentric leadership and be open to learn values and practices from the new culture. A global mindset can be defined as a complex cognitive structure characterized by the openness to multiple cultural realities on both global and local levels, and the ability to integrate across multiplicity (Levy & al, 2007). Constructing a global mindset implies continuous learning, ethnical learning and respect, flexibility, self-knowledge, self-regulation, ability to share and humbleness (Cseh, Davis, & Khil, 2010).

Applying the global mindset concept to this leadership case, Portuguese leaders must know themselves first, learn about their strengths and limitations when facing other cultures. After that, leaders should find ways to improve their weaknesses in order to be flexible and take advantage of differences. Then, mix that with experience, knowledge, vision and humility, and Portuguese leaders will have the basis to empower their employees and create a good organizational culture in Africa.

As a result, global mindset allows differentiation of the companies since it can search for adjustments of the distribution of power and mutual influence inside the group (Gupta & Govindarajan, 2002). That differentiation will be also an advantage for the company vis-à-vis its competitors because it will enable them to grow in a sustainable way along with the community where it operates.

Still, when we look at global mindset concept, we also look at two other dimensions that it combines: global business orientation and cultural intelligence (Story & Barbuto Jr, 2011).

- Global Business Orientation

Global business orientation is related to individual's attitudes towards internationalization and adaptability to new environments (Story & Barbuto Jr, 2011). Several leaders' characteristics are appointed as being part of global leaders, as cultural adaptability, international business knowledge, emotional stability, decision making skills, empathy, experience and ability of listening to others and take their perspectives as significant to the effectiveness of global management (Lesley & al, 2002).

- Cultural Intelligence

Partially related to global business orientation, cultural intelligence refers to the person's capability to function effectively in culturally diverse settings (Story & Barbuto Jr, 2011). In this case, Portuguese leaders know in advance that the establishment in Angola or Mozambique will imply interactions and relationships with people that are culturally different. Then, everyone in the workplace will be challenged, from top to down positions. However, leaders are the ones who have the power to decide how they will embrace the new challenge. Either they adopt the policy "Be Like Me" and expect others to adapt to her/his own way; or they are open to learn new work perspectives and become culturally intelligent. As implicit throughout this study, cultural intelligence is the path leaders must take (and in reality are trying to take), because differentiation and consequent competitive advantage are better sustained by leveraging employee diversity and social learning processes (Ottavi, 2009).

In practice, interviewed leaders recognize that adaptation is not an easy process. As analyzed, for identical situations leaders have different responses and some responses are more thought out than others, which is related to the previous international experience of the leader. In fact, developing a cultural intelligence perspective takes time and experience to gain behavioral skills and become confident when facing different cultural situations (Vogelgesang, Clapp-Smith & Palmer, 2009). Nonetheless, as suggested, even without so much preparation leaders should understand how a mix between Portuguese and African employees can be powerful to sustain the business in a new market. In more detail, companies will have more ability to meet customer needs, engage teamwork and take advantage of new public relations (Ottavi, 2009).

As a final note, the interviewees were asked to describe the prototype of an actual leader and all previous required features were described. It was also asked if the leaders of the companies were “ideal” leaders and the answer depended on the position of the person interviewed. Top managers (employees) consider the leaders they are working with are perfect leaders; some leaders do not consider themselves as being perfect because they don’t or can’t have all the necessary characteristics to be considered as global ones.

### Trust

Trust is a very complex matter in leadership. It is present in all daily activities in the companies and it is the basis for potential teamwork environment. It can be understood as the willingness of a leader to be vulnerable to actions of their employees, expecting that they will act in the best interest of the leader, and vice-versa (Gehrke & Claes, 2014).

In today's Africa, problems as slavery (Nunn & Wantchekon, 2014), corruption and educational/productivity asymmetries still persist and affect the trust relationship of the leader and his subordinates. In Sub-Saharan Africa, Portuguese leaders still have some difficulties in trusting workers, because they believe they are better managers. At the same time, due to historical facts, some employees still question leaders' approximation. However, trust must be built, because an environment based on that allows better performances and continuous improvement. Companies with high levels of cultural trust tend to produce high quality products and services at less cost because they can retain highly motivated employees. In fact, workers will take the time they need to do their jobs correctly, make their own decisions, take risks, innovate and embrace the organization's vision, mission, and values (Starnes, Truhon & McCarthy, 2010).

- PROPOSED PROCESS

Once leaders have developed their global mindset and are ready to trust those who are culturally different, the employee empowerment process can take place.

First step: Share information and make strategic adjustments

Globalization of business is an actual phenomenon and Portuguese entrepreneurs are looking for better business opportunities abroad and ex-colonies are a plus. Like Participant F said: *"We are talking more about Angola and Mozambique because of the historical affinity, culture and language. As we are doing business far away from Portugal, it is easier if we negotiate with these countries"*. However, besides those links, there are some gaps between Portuguese and Angolan/Mozambican cultures.

Cultural differences can be manifested in several ways, as symbols, heroes, rituals and values. While symbols are considered the most superficial, values are the deepest manifestation of culture (Hofstede, 1991). In addition, governance and religion contribute to those gaps too. In Africa, leaders tend not only to perpetuate in power, but also to be the owners of natural resources. This concentration of power affects the economic development of Angola and Mozambique and contributes to increase social asymmetries. Also, religion can affect the leaders' way of thinking, where religion power can be above civil power. However, these kind of religious situations are more predominant in North Africa.

In reality, leading culturally and formally others can be a complex process if not executed with sensitivity and flexibility of both parts. Therefore, imposing one culture over another is not the optimum solution because they may converge on some aspects, but their idiosyncrasies can amplify (House, 2004). In the African case, instead of centralizing the structures and impose Portuguese culture, companies must act as Participant L stated: *"It is essential to do a mix between Portuguese and Angolan cultures (...) it must be a natural process"*.

Thus, given the impact of leadership and social norms on organizational culture (Integrated Theory), organizations must adopt practices and values, and introduce them to their network to obtain better use of their resources to reduce their dependence on critical contingencies and improve their competitive position (Resource Dependence Theory) (House, 2004).

Overall, intercultural understanding, communication, and training skills are the keys here since it has become evident that the way cooperation develops depends on the effectiveness of the encounter of members of two different societies (Hofstede, 1991).

#### Second step: Train and empower workforce

Not only organizations, but also employees must adapt to the company's working style. Moreover, that adaptation must be a well-designed process, assisted by the leaders or expatriates. As the framework showed, some Portuguese companies recognize the importance of educating formally (academically related) and informally (values and practices). However, this idea should be spread to the remaining Portuguese companies. They must recognize its importance not only because it brings competitive advantage through an increase in worker output and productivity (Brum, 2007) and job satisfaction (Batool, 2012) but also for improvement of the human condition (House, 2004).

In conclusion, the acceptance of the differences of both parts is essential to an effective leadership and growth opportunities; they will know not only what to expect from each other, but will also be able to negotiate mutually agreeable approaches to conflict resolution, problem solving, decision making, and management practices (House, 2004).

Before empowerment, Sub-Saharan employees should be trained; tasks must be assisted by expatriates, there should be good support systems (Fuqua, Payne & Cangemi, 1998), opportunities for job rotation (Awamleh, 2013) and techniques to inspire individual initiatives (Fracaro, 2006). After that, responsibility, authority, and decision-making power must be assigned to employees (Fracaro, 2006) who already have useful knowledge and internal motivation (Radolph, 1995) – employee empowerment. Still

regarding this concept, in 1990 there were introduced four task assignments for worker empowerment: sense of impact, competence, meaningfulness and choice (Thomas & Velthouse, 1990). Five years later, those four tasks would be part of a new concept, psychological empowerment, which would be a complement to the previous relational empowerment (top-down mechanism) (Spretizer, 1995).

In this African case, the reasons why Portuguese leaders must empower their employees are the following:

- First, Portuguese leaders in Angola or Mozambique know the importance of connecting with people who have local knowledge. Those people can be the employees who can impact positively on what occurs and handle limitations and barriers (Houssein & al, 2012). For instance, when dealing with bureaucracy procedures, it is important to have some kind of direct connection, and empowered employees with knowledge about the company and their country systems can be the key in this situation. According to Participant A, having local connections there is essential because *“they could help with all the procedures without wasting time”* with institutions.
- Second, as Participant H stated: *“There are limits for the number of expatriates that can work in Mozambique”*. Therefore, despite the limited number of good professionals in Sub-Saharan countries, companies must take advantage of them.
- Third, and as a reinforcement of the second point, Participant C affirmed that it *“would entail more costs having Portuguese people there”*.
- Four, obtaining a visa is more complicated than ever. In accordance of what Participant I said: *“Even as owner of the company, it is very difficult to obtain a*

*visa. We have no privileges. (...) It takes time, it involves a lot of bureaucracy and it is expensive. So, now you can imagine how it is to deal with this 3 times a year”.*

- Five, Portuguese leaders recognize the strategic importance of keeping local workers engaged. In accordance to Participant I: *“We try to provide a good work environment for them to feel good and motivated”.*

All in all, it is very favorable for companies to empower African employees who demonstrate ability to be assigned with more responsibility, because they possess local and “formal” knowledge. In the long run companies can save money with the expatriates that are no longer needed to work there. On the other hand, employees will feel more accountable and more motivated to attain organizational goals (Mehrabani & Shajari, 2013).

### Third step: Reward employees’ achievements

Besides all the motivational gains, employees want to be financially rewarded for their contribution in the company. In addition, it is important to highlight the necessity of money in countries as Angola and Mozambique. In accordance to Participant J: *“The minimum salary is 105€ and the cost of living is two or three times higher than in Portugal”.* Therefore, as Participant A exemplified: *“If you pay them 100€ and someone offers 101€, they just change jobs”.*

In fact, leaders must be aware that they can lose their good professionals (as the empowered employees) at any time. In developing countries, it is frequent to “steal” good employees from some companies to another. As Participant M illustrated: *“What frequently happens is that new big companies “steal” good professionals from other*

*companies here. For example, an extraction, production and export aluminum company hired the best locksmiths and mechanics of the area (Mozambicans)”. This probably happens, because workers are promised with better work and financial opportunities.*

Summarizing, besides development and job satisfaction, higher wages or other support monetary policies are fundamental for engagement and retention of employees. In developing countries where qualified workers are hard to find, an appealing reward system is one of the ways used by organizations to attract and retain suitable employees (Njanja & al, 2013). Additionally, losing good professionals implies extra costs for the company, since they have to spend time and money searching for someone to perform that position or empower a new employee again.

### **Limitations**

The efficiency of the model proposed will depend on all members involved. For instance, Portuguese leaders can have difficulties in developing a global mindset due to conflicts with personal values and practices, inflexible personality (not open-minded), or bad past experience (e.g. related to trust); thus, it is easier to not adapt and impose their culture over another. On the other hand, the opposite can happen; leaders can make an effort to integrate both cultures but there is rigidity from African employees caused by past historical facts.

However, the scenario can be different and both parts can accept cultural differences and be able to collaborate together. Still, there is no guarantee that the empowerment process will be effective. For example, the monitoring of the leader can be strategically weak and none of the employees will feel ready to take a step forward inside the

company. Or the supervision and help of leader can be very rich but employees prefer to have a stable position rather than take responsibilities that seriously impact company's results, even with attractive rewards.

## **Conclusion**

The main idea of this study is to give a notion about how today's Portuguese leaders are considering their employees. The results demonstrated that their strategies should be improved, not only for the benefit of the business itself, but for the improvement of the African society in general. Accordingly, an empowerment process was proposed to improve the connection between leaders and workers, aligning the interests of both parties. That idea emerged because of the importance of creating an organizational culture, since society affects business and business affects society. In general, that suggestion is seen as a differentiator factor for the companies that allow a sustainable growth at financial and personal levels. However, the success of this process and of a good organizational culture will depend on certain characteristics that leaders should have as a global mindset, cultural intelligence and sense of trust.

All in all, the process of empowerment must allow space for failure to be effective. The key is in the reaction to failure, where the failure to give adequate support to employees can collapse the empowerment mechanism. Thus, according to Participant B: *"A leader must know when to give second chances"*.

## **Future Research**

As written in Limitations, the success of this model really depends on the members involved. Having a global mindset (and cultural intelligence) is a primary requirement for leaders. However, the studies that exist are very general. Thus, besides my Sub-Saharan proposal, more studies should be done applying global mindset to other African contexts, highlighting ways to develop it.

Moreover, future research could include “ideal” empowerment process phases for foreign leaders that arrive to countries as Angola and Mozambique and have no clue of what to expect from African employees. This way, leaders would prepare their employees better because they knew what to expect from them. Employees would also be trained according to their needs and probably feel able to embrace new responsibilities in the company one day. Apart from that, feasible reward systems should be studied in order to follow the different stages of employee empowerment process.

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## **Appendix**

Questions asked during the interviews:

- Would you like to introduce your company? What is your function in the company? (If CEO, this question doesn't apply)
- What are the features of the leader of this company? (If CEO, what are her/his own characteristics)
- What do you consider to be a prototype of a leader?
- Why did the company decide to invest in Africa?
- What are the social, economic and political challenges the company finds in Africa? And what strategies does the company implement?