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Team Effectiveness under Hierarchical Cultures: Power Distance in Far-Western Province's Local Government

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Abstract

This study examines how hierarchical cultural values, particularly power distance, influence team effectiveness in Nepal's Far-Western Province's local government institutions. Power distance—the acceptance of unequal authority—shapes communication, trust, and participation within public teams, directly affecting their social, political, economic, and systemic performance. Using a descriptive–explanatory, cross-sectional design, the study surveyed 412 local-government employees through a structured questionnaire assessing four dimensions of power distance (authority, hierarchy, prestige, social distance) and team effectiveness. Correlational and regression analyses revealed that hierarchy and privilege (fair recognition and role clarity) are the strongest positive predictors of team effectiveness, while excessive centralization of power negatively affects social cohesion and innovation. Social distance showed minimal independent influence. The findings highlight that structured hierarchy supports coordination, but participatory leadership and transparent reward systems are essential to prevent silencing effects of high-power distance. The study finds that reducing hierarchical barriers, promoting merit-based recognition, and fostering inclusive communication can significantly enhance teamwork and organizational performance in Nepal's decentralized governance framework.

Keywords: Power distance, hierarchy, team effectiveness, local government, Nepal, organizational culture, participatory leadership.

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1. Introduction

Power distance, as conceptualized by Hofstede (1980), reflects the extent to which less powerful members of organizations accept and expect unequal distribution of power. Within Nepal's evolving governance framework—particularly at the local level—understanding how cultural norms around authority and hierarchy affect organizational performance is critical. Teams are central to modern organizational functioning, including in local governments, where participatory decision-making and collaboration are essential to effective service delivery.

However, in high power distance cultures such as Nepal, hierarchical norms can impede open communication, trust, and teamwork (Hofstede, 1980). These challenges can reduce the effectiveness of teams in achieving collective outcomes. Prior research highlights that regular communication among team members fosters integration of information, development of shared understanding, problem-solving capacity, and the generation of new ideas (Hansen, Mors, & Løvås, 2005; Delgado Piña, Romero Martínez, & Gómez Martínez, 2008; Payne, Benson, & Finegold, 2009). Yet, such benefits of teamwork may be constrained by hierarchical and cultural norms that reinforce authority gaps.

This study explores how power distance dimensions—authority, hierarchy, prestige, and social distance influence the dimensions of team effectiveness social, political, economic, and systemic—among local government employees in Nepal's Far-Western Province. Specifically, it aims to examine whether reducing hierarchical gaps can strengthen team performance in public institutions.

Despite the increasing importance of teamwork in delivering public services, there is a notable lack of critical academic research examining the influence of cultural dimensions, particularly power distance, on team effectiveness in Nepal. Studies in public administration have emphasized the role of cultural values in shaping organizational effectiveness (House et al., 2004; Hofstede & Minkov, 2010). However, research in Nepalese governance largely focuses on structural reforms and decentralization (Acharya, 2018; Chaudhary, 2019) and overlooks how hierarchical norms affect team collaboration and performance. Key gaps include: *(a) the absence of empirical studies exploring the relationship between power distance and team effectiveness in the Nepalese public sector*, and *(b) limited understanding of how different dimensions of power distance shape social, political, economic, and systemic aspects of team effectiveness*. Addressing these gaps is essential, as team effectiveness in government institutions is vital for responsive governance, service delivery, and citizen trust.

To guide this analysis, the study poses three key research questions: *What is the prevailing level of power distance among local government employees in Far-Western Province? Do factors of power distance influence specific aspects of team effectiveness?* and, *to*

what extent does power distance shape overall team performance in local government institutions? Addressing these questions is important, given that hierarchical practices can both enable efficiency by clarifying roles and responsibilities and hinder performance by discouraging open communication and collaboration (House et al., 2004; Payne et al., 2009). Accordingly, the objectives of this research are threefold: first, to assess the current status of power distance and team effectiveness among local government employees; second, to examine the influence of power distance dimensions on individual aspects of team performance; and third, to analyze the overall impact of power distance on team effectiveness in public institutions within the Far-Western Province (Delgado Piña et al., 2008; Awasthi, 2020).

While addressing these issues, the study acknowledges several limitations. Geographically, it is confined to employees in Far-Western Province, which limits the generalizability of findings to other parts of Nepal with different socio-cultural contexts. Methodologically, reliance on self-reported data collected through structured questionnaires raises the possibility of common method bias (Podsakoff et al., 2003). In addition, the cross-sectional design captures perceptions at a single point in time, constraining causal inference (Creswell & Creswell, 2018). Finally, variation in how respondents interpret concepts such as hierarchy, authority, and collaboration may introduce interpretive variability, as these ideas are shaped by both organizational and personal experiences (House et al., 2004). Despite these limitations, the study offers valuable insights into how cultural dynamics, particularly power distance, affect the functioning and effectiveness of public sector teams in Nepal's federal governance landscape.

2. Literature Review

2.1 Concept of Power Distance

Power distance refers to "the extent to which the less powerful members of institutions and organizations accept that power is distributed unequally" (Hofstede, 1980). High PDI workplaces typically show centralized decision authority, steeper hierarchies, and unquestioned compliance, which associates with lower initiative and muted upward voice (Hofstede, 1991, 2010; Lian, Ferris, & Brown, 2012). Cross-cultural evidence indicates that when power distance is lower, employees report more participation, information sharing, and decision influence, improving collective outcomes (Cole, Carter, & Zhang, 2013). Large-scale comparative work connects societal power distance values to leadership acceptance patterns and team processes, showing that egalitarian expectations co-occur with collaborative leadership and richer intra-team communication (House et al., 2004).

Meta-analytic evidence further shows culture-level power distance moderates' leadership, outcome links; as well as participative /transformational styles work better in lower-PDI settings (Taras, Kirkman, & Steel, 2010).

Dimensions of Power Distance (authority, hierarchy, prestige, social distance)

Empirical studies demonstrate that authority concentration and hierarchy reduce lateral communication and idea generation, especially where status prestige and social distance discourage challenge and feedback (Newman & Nollen, 1996; Sagie & Aycan, 2003). In contrast, lower status distance predicts greater shared influence and empowerment behaviors at team level (Ghosh, 2011; Cole et al., 2013). Recent organizational studies in Asian contexts show that flattening hierarchical distance increases knowledge sharing and innovation outputs (Zhang, Liu, & Xie, 2022).

2.2 Concept of Team

Teams have been defined in the field of management as small, interdependent units with complementary skills, shared purpose, and mutual accountability; such teams outperform loosely coupled groups when tasks require diverse expertise and integration (Hackman, 1987; Baker & Salas, 1997; Katzenbach & Smith, 2005). In organizational samples, interdependence plus clarity of shared goals predicts coordination quality and output value (Kozlowski & Bell, 2003; Baik, 2017). Empirical work consistently links role specialization plus collaboration routines to higher error detection and adaptive performance in complex tasks (Tannenbaum, Salas, & Cannon-Bowers, 1996; Walter et al., 2019).

Team Effectiveness

Studies operationalize team effectiveness beyond output quantity to include client-valued results, interdependent functioning, and member satisfaction (Mohrman et al., 1995). Research warns that goal attainment alone can mask fragility in learning and sustainability (Essens et al., 2005). Time-sensitive studies show that continuous monitoring and adjustment of roles/processes (rather than static snapshots) better predicts subsequent performance (Marks, Mathieu, & Zaccaro, 2001; Gorman, 2014; Kozlowski et al., 2015). Evidence from organizational settings ties effective teams to higher conflict management quality, decision accuracy, and innovation rates (Gull et al., 2012; Pentland, 2013; Acharya, Lee, & Lee, 2006).

Characterising Effective Teams

Empirical syntheses identify common traits of high performers: shared purpose/mission, psychological safety and open communication, constructive conflict, consensus-seeking, defined roles, and rotating/sharing of leadership tied to situational demands (Cleland, 1996;

Peters & Rodabaugh, 1988; Katzenbach & Smith, 2003; Forsberg, Mooz, & Cotterman, 2005; Sundstrom, Demeuse, & Futrell, 1990; Parker, 2008). Longitudinal observations show that *respect → trust → openness → synergy* is a workable causal chain: as trust and openness rise, information flows and joint problem-solving increase, boosting output and satisfaction (Covey, 1989; Harris, 2008). Communication intensity and network patterns (energy, engagement, exploration) predict performance variance across teams (Pentland, 2013).

Dimensions of Team Effectiveness

Across industries, clear purpose predicts persistence and resilience; empowering structures (stable norms, fair workloads) predict adherence and coordination; organizational support (resources, time, training, rewards) predicts goal attainment; positive internal relationships reduce blame cycles; external relationships improve stakeholder fit; and information management prevents misalignment in distributed settings (Greenberg, 2012; Takai & Esterman, 2017). Empirical work shows that teams with explicit routines for external scanning and internal knowledge integration outperform peers on both efficiency and innovation metrics (Salas, Goodwin, & Burke, 2008; Jones & George, 1998).

2.3 Power Distance & Team Effectiveness

Intervention and field studies show that empowerment and psychological safety enable voice, elaboration, and error-sharing mechanisms linked to creativity and coordination (Conger & Kanungo, 1988; Edmondson, 2002; van Knippenberg, De Dreu, & Homan, 2004). Lower PDI climates produce higher participation, better knowledge exchange, and stronger team cohesion (Cole et al., 2013; Appelbaum et al., 2020). Conversely, high PDI concentrates decision rights, reduces lateral talk, and depresses proactive behaviors, leading to lower engagement and creativity unless leadership explicitly counteracts hierarchy (Hofstede, 1991; Newman & Nollen, 1996; Sagie & Aycan, 2003; Lee & Chen, 2022). Multinational and remote-work studies replicate these patterns: participative styles in low PDI boost trust and performance; directive styles in high PDI risk disengagement (Kirkman et al., 2009; Roberts & Hite, 2023). Conflict research shows low-PDI teams use collaborative problem-solving with better long-term outcomes; High-PDI teams' default to top-down resolution, leaving issues unaddressed (Earley & Gibson, 2002; Fischer, Abukari, & Böhmer, 2024).

2.4 Research Gap

Cross-study evidence consistently links lower power distance to better communication, satisfaction, and performance, including in multinational teams (Kirkman et al., 2009) and innovation contexts (Zhang et al., 2022; Anderson, De Dreu, & Nijstad, 2004). Culture moderates the effectiveness of leadership styles: transformational/participative leadership

excels in low PDI, transactional/control-oriented styles fit high PDI (Taras et al., 2010). In virtual teams, low PDI helps leverage diversity via inclusive communication; high PDI suppresses these benefits (Liu, Wei, & He, 2024). Conflict studies reiterate that egalitarian climates support constructive resolution and cohesion (Earley & Gibson, 2002; Fischer et al., 2024). Complementarity of abilities, diversity management, role clarity, and strong communication routines are recurrent positive predictors of team outcomes across contexts (O'Neill et al., 2023; van Knippenberg & Schippers, 2007; Jehn & Mannix, 2023; Marks et al., 2001). Despite global evidence, Nepal-specific, public-sector studies integrating distinct power distance facets (authority, hierarchy, prestige, social distance) with multidimensional team effectiveness (social, political, economic, systemic) remain scarce. Most local work emphasizes structural reforms over micro-cultural mechanisms, leaving an empirical gap the study directly targets. This study fills the gap by providing empirical evidence from a federalized local governance setting, analysing how cultural values embedded in hierarchical acceptance impact team collaboration, problem-solving, and output quality. It offers both academic values, by contributing to cross-cultural management literature in a developing country context, and practical insights for policymakers aiming to improve public sector performance through team-based approaches.

2.5 Framing the Conceptual Model

Drawing on Beaudin and Savoie (1995), the framework treats Power Distance (IV) with four facets: Power/ Authority, hierarchy, prestige, social distance, and Team effectiveness (DV) with four dimensions: social, socio-political, economic, systemic. Cross-cultural and team-science research provides consistent mechanisms for each link. The central, evidence-backed proposition is that lower power distance (via participative structures, voice channels, supportive leadership) improves information exchange, cohesion, conflict handling, and adaptive performance in public teams (Edmondson, 2002; Kirkman et al., 2009; Taras et al., 2010; Zhang et al., 2022; Liu et al., 2024).

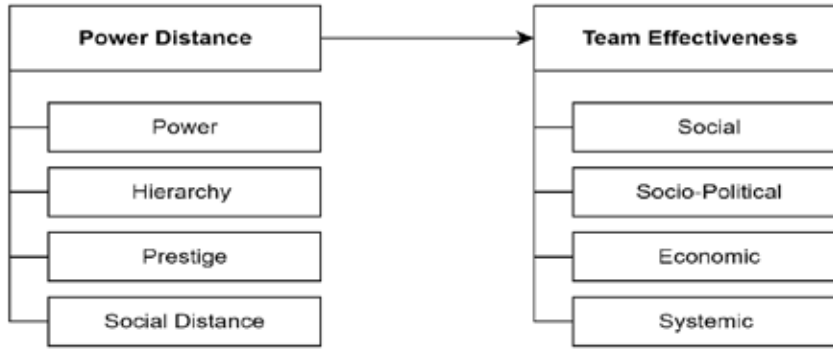

Figure 1: ***Conceptual Framework of the study***

Source: (Beaudin & Savoie, 1995)

Concentrated authority suppresses voice and information sharing, whereas participative climates increase speaking-up and knowledge exchange—bolstering social cohesion/trust and decision quality (Hofstede, 2001; Edmondson, 2002; Cole, Carter, & Zhang, 2013; Taras, Kirkman, & Steel, 2010). Steep hierarchy slows lateral coordination and creates dependency; flatter structures strengthen systemic processes (communication, backup behavior) tied to performance (Newman & Nollen, 1996; Salas, Goodwin, & Burke, 2008). Large prestige/status gaps reduce psychological safety; narrowing status distance enables constructive challenge and learning—improving social cohesion and economic outcomes (House et al., 2004; Lian, Ferris, & Brown, 2012). High social distance (rank/tenure/education) fragments teams and dampens idea flow; bridging it increases knowledge sharing and innovation, lifting economic results (van Knippenberg, De Dreu, & Homan, 2004; Zhang, Liu, & Xie, 2022). These mechanisms also enhance socio-political legitimacy and responsiveness in local government—salient in Nepal's federal context (Acharya, 2018; Upreti & Ojha, 2021). Consistently, multi-country studies find lower-PDI teams communicate better and perform more strongly, reinforcing all four effectiveness domains (Kirkman et al., 2009; Payne, Benson, & Finegold, 2009; Marks, Mathieu, & Zaccaro, 2001).

3. Research Methodology

3.1 Research Design

This study employed a cross-sectional, descriptive explanatory correlational design to (a) *describe the current level of power distance among local-government employees in Nepal's Far-Western Province* and (b) *estimate associations between power distance (IV) and team effectiveness (DV)*. Correlational designs are appropriate for estimating the magnitude and direction of relationships in natural settings where manipulation is neither possible nor ethical (Creswell & Creswell, 2018). Primary data were collected with a structured quantitative questionnaire, a standard approach for organizational research seeking generalizable patterns across respondents (DeVellis, 2017).

3.2 Population, Sample Size, and Sampling Frame

The target population comprised employees at all levels of local governments in Far-Western Province. Because the exact population size could not be confirmed from official sources, the Cochran (1977) formula for unknown populations determined the minimum sample at 95% confidence and 5% margin of error. Accordingly, the required $n \geq 384$; 412 usable responses were obtained. Given access constraints and dispersed worksites, convenience sampling was used, with appropriate caution in generalization (Etikan, Musa, & Alkassim, 2016).

3.3 Data Collection, Instrumentation and Analysis

Instrumentation integrated demographics with multi-item scales answered on a 6-point Likert-type format (1 = strongly disagree to 6 = strongly agree). Response formats with 5–7 categories tend to optimize reliability and discrimination, and removing the neutral midpoint can reduce satisficing and prompt evaluative stance (Preston & Colman, 2000; Lozano, García-Cueto, & Muñiz, 2008; Krosnick & Presser, 2010). Items were literature-derived to support content validity (Haynes, Richard, & Kubany, 1995). Power distance was operationalized through four facets—power/authority, hierarchy, prestige/status, and social distance (Hofstede, 2001; Ghosh, 2011)—and team effectiveness was modelled multidimensionally as social, socio-political, economic, and systemic (Beaudin & Savoie, 1995). Subscale scores (3–6 items each) were averaged; Cronbach's alpha assessed internal consistency with $\alpha \geq .70$ treated as acceptable for research use (Cronbach, 1951; Nunnally & Bernstein, 1994).

Data collection combined electronic administration with delivery/collection to minimize missingness and enable on-the-spot clarification (Dillman, Smyth, & Christian, 2014). Analyses in IBM SPSS v27 proceeded from descriptives (profile, means, SDs) to reliability (α), then Pearson correlations to gauge zero-order associations with effect-size interpretation (Cohen, 1988), and multiple linear regressions estimating the unique contribution of each power-distance facet to each team-effectiveness dimension. Model assumptions—linearity, normality of residuals, homoscedasticity, and multicollinearity via VIF—were examined, and tests were two-tailed at $\alpha = .05$ (Field, 2018).

Finally, design choices acknowledge key threats and remedies. The cross-sectional and self-report nature precludes causal claims and raises common-method bias concerns; procedural safeguards included anonymity assurances, varied stems, counter-balanced sections, and conceptual separation of predictor and criterion blocks (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003). The non-probability sample supports analytic rather than population-level generalization, which is appropriate at this stage of evidence development and consistent with the study's practical goal of illuminating mechanisms within provincial public institutions (Etikan et al., 2016).

4. RESULTS AND DISCUSSION

4.1 Demographic analysis

Table 1: Demographic Analysis of Respondents

Category	Group	Frequency	Percent
Age	18–28	188	45.6
	29–38	200	48.5
	39–48	16	3.9

Category	Group	Frequency	Percent
	>48	8	1.9
Education	+2 or less	68	16.5
	Bachelor	184	44.7
	Master	152	36.9
	Above Master	8	1.9
Gender	Male	320	77.7
	Female	92	22.3
Marital status	Unmarried	164	39.8
	Married	248	60.2
Religion	Hindu	396	96.1
	Buddhist	16	3.9
Designation	Officer	180	43.7
	Non-officer	232	56.3
Work experience	< 5 years	256	62.1
	5–10 years	124	30.1
	11–15 years	20	4.9
	> 15 years	12	2.9

Source: Field Survey, 2025

The sample (N = 412) is youthful, highly educated, and early-tenure. Nearly the entire cohort is 18–38 years (45.6% aged 18–28; 48.5% aged 29–38), and 62.1% report <5 years' experience (another 30.1%: 5–10 years). Education is strong (44.7% bachelor's; 36.9% master's), with a male majority (77.7%) and predominantly Hindu (96.1%). Roles tilt toward non-officer posts (56.3%), creating teams of credentialed but comparatively less experienced staff operating beneath a smaller officer cadre. In such settings, employees typically prize clear roles, predictable escalation paths, and visible recognition, while reacting sensitively to the style of authority—whether it is clarifying and enabling versus unilateral and silencing. This composition is important context for reading the association patterns that follow.

Correlation analysis

Table 2: *Correlational Analysis Summary*

	TES	TEE	TEP	TESY
Pwr (Power)	.454*	.502*	.574*	.502*
Hry (Hierarchy)	.755*	.754*	.723*	.767*
Prg (Privilege)	.649*	.677*	.672*	.638*
SD (Social distance)	.561*	.544*	.614*	.577*

*Note: * significant at 0.05 level of significance*

TES: Team Effectiveness - Social

TEE: Team Effectiveness - Economic

TEP: Team Effectiveness - Socio-political

TESY: Team Effectiveness - Systemic / Synergy

Power-distance facets move together as a coherent climate: Power/centralization (Pwr) correlates strongly with Subordination/social distance (SD; r = .755), and Hierarchy/layering (Hry) with Privilege/status rewards (Prg; r = .704), all p < .001. Team-effectiveness dimensions also rise and fall in concert—Overall Social (TES) with Engagement (TEE) at r = .889, TES with Synergy/Systemic (TESY) at r = .831, and TEE with Performance/Socio-political (TEP) at r = .855 (all p < .001)—indicating a holistic construct: engagement, performance, synergy, and social climate tend to co-improve. Notably, overall power-distance climate shows moderate positive bivariate ties with team outcomes (e.g., with TEP r = .574; with TEE r = .502; all p < .001), suggesting that in this public-sector context, employees may read structure as coordination capacity rather than as a brake on teamwork. Because the predictors themselves intercorrelate, we turn to multivariable models to identify which facets carry unique explanatory power.

Regression analysis

Model fit is consistently strong: variance explained is ~60% for Social (R^2 = .602), Economic/Engagement (R^2 = .611), Socio-political/Performance (R^2 = .588), and Systemic/Synergy (R^2 = .609), and 68.2% for overall team effectiveness (R^2 = .682); all F-tests p < .001. Multicollinearity is acceptable (all VIF < 3.2), so inferences are not artifacts of overlapping predictors.

Table 3: *Regression Model Summary*

Dependent variable	R^2	Adj. R^2	p-value
Social (TES)	.602	.598	< .001
Economic / Engagement (TEE)	.611	.608	< .001
Socio-political / Performance (TEP)	.588	.584	< .001
Systemic / Synergy (TESY)	.609	.605	< .001
Overall Team Effectiveness (TE)	.682	.679	< .001

Hierarchy is the dominant, robust predictor: standardized effects are large and positive (Social β = .592; Economic β = .559; Socio-political β = .454; Systemic β = .614; Overall β = .595; all p < .001). Interpreting unstandardized effects on the 1–6 scale, each one-point increase in perceived hierarchy corresponds to ≈0.61 points higher Social (≈12% of the scale range), 0.55 higher Economic/Engagement (≈11%), 0.40 higher Socio-political/Performance (≈8%), and 0.56 higher Systemic/Synergy (≈11%). Practically, clarity of

roles, decision rights, and escalation channels is tightly aligned with better cohesion/ engagement, throughput and efficiency, respectful participation, and reliable processes/ learning.

Privilege the perceived fairness and credibility of status, recognition, and reward, adds a consistent, independent lift (Social β = .239; Economic β = .314; Socio-political β = .226; Systemic β = .156; Overall β = .251; all p ≤ .003). In raw terms, each one-point rise in Privilege predicts ≈0.25–0.32 points more on Social and Economic, ≈0.20 on Socio-political, and ≈0.15 on Systemic (roughly 3–6% of the scale range), consistent with a young, ambitious cohort that responds to merit-linked recognition and transparent advancement paths.

Power contributes little once Hierarchy and Privilege are in the model: coefficients are tiny and non-significant for Economic (β = .022, p = .647), Systemic (β = −.011, p = .827), and Overall (β ≈ 0, p = .991) outcomes, and modestly negative for the Social climate (β = −.107, p = .031). This divergence is telling: teams appear to distinguish between structure that helps us work (hierarchy with clarity) and power that shuts us down (centralization without voice).

Social distance shows small, non-significant net effects across models (p ≥ .121), likely because its influence is largely absorbed by the more actionable facets (hierarchy and privilege). Put together, the pattern separates the productive face of power distance from its counterproductive form. In these local-government teams, well-designed hierarchy (clear lanes, decision rules, escalation) and fair, credible privilege systems (recognition and rewards that track contribution) are reliably associated with higher social cohesion, stronger engagement and productivity, more respectful participation/voice, and more dependable processes and learning.

Table 4: Predictors of Team Effectiveness Dimensions

Predictor	Social	Economic	Socio-Political	Systemic	Overall
Constant	0.740, <.001	0.720, <.001	0.876, <.001	0.985, <.001	3.321, <.001
Power (Pwr)	−0.121, .031	0.024, .647	0.106, .028	−0.011, .827	−0.002, .991
Hierarchy (Hry)	0.613, <.001	0.553, <.001	0.397, <.001	0.562, <.001	2.125, <.001
Privilege (Prg)	0.254, <.001	0.319, <.001	0.203, <.001	0.146, .003	0.923, <.001
Social distance (SD)	0.099, .121	−0.068, .263	0.071, .193	0.079, .159	0.182, .356

Indicators: Unstandardized Coefficients (β), p-value

Hierarchy is the dominant, consistent positive predictor across all outcomes, indicating that clear roles, decision rights, and escalation paths are strongly associated with better social climate, engagement/productivity, participation/respect, and process reliability. Privilege (fair, credible recognition/status) provides an independent, positive lift. Power/

centralization adds little net value once structure and fairness are controlled—and is socially negative—suggesting teams distinguish helpful structure from over-centralized authority. Subordination/social distance shows no unique effect after controls. Practically: design hierarchy for coordination, make rewards visibly merit-based, and avoid over-centralization that erodes social fabric without performance gains.

4.2 Overall Model Summary

The models explained a substantial proportion of variance in team effectiveness dimensions, suggesting that power distance factors meaningfully constrain effective teamwork in local governance settings.

Table 5: *Summary of Key Analytical Findings*

Aspects	Key Findings
Reliability Analysis	Cronbach's alpha ranged from 0.782 to 0.891 across constructs, confirming strong internal consistency.
Demographic Profile	Majority (68%) were male; Dominant age group 31-40 years (46%); Most had bachelor's degree (58%).
Correlation between PD and TE	Negative correlation coefficients observed: Social ($r = -0.41$), Economic ($r = -0.36$), Political ($r = -0.39$), Systemic ($r = -0.34$); all significant at $p < 0.01$.
Regression Results	Hierarchy ($\beta = -0.445$, $p < 0.001$), and Social Distance ($\beta = -0.393$, $p < 0.001$) had strongest negative predictive effects; Authority ($\beta = -0.301$, $p < 0.05$) and Prestige ($\beta = -0.276$, $p < 0.05$) were significant but comparatively weaker predictors.
Overall Relationship	Adjusted R^2 values: Social TE (0.32), Economic TE (0.29), Political TE (0.31), Systemic TE (0.27); Overall TE model Adjusted $R^2 = 0.35$, indicating substantial explanatory power.

5. Discussion

The evidence indicates a predominantly young, well-educated workforce with limited tenure, a profile typically associated with receptivity to role clarity and process discipline (Hackman, 2023). The pronounced gender imbalance, however, suggests underutilized diversity benefits; when effectively managed, diversity in gender and expertise enhances idea elaboration and problem solving (van Knippenberg & Schippers, 2007).

Bivariate results show that power-distance facets co-vary and relate positively to all team-

effectiveness dimensions, consistent with the tendency of high-PDI settings to institutionalize authority gaps and formal structures (Hofstede, 1980). That these correlations are positive in this context implies that structure is experienced primarily as coordination capacity. Perceptions of fairness around recognition and advancement likely convert structure into engagement via psychological safety and procedural justice mechanisms (Edmondson & Lei, 2023).

Multivariable models sharpen this picture. Hierarchy is the most consistent predictor across social, economic/engagement, socio-political, and systemic outcomes ($R^2 \approx .59–.61$ by domain; .68 overall, all $p < .001$), indicating that clearly specified roles, decision rights, and escalation paths reduce ambiguity costs and improve coordination (Tannenbaum et al., 1992; Salas et al., 1992). Privilege—when perceived as merit-based—adds an independent positive association, consistent with links between fair reward systems, motivation, and participation (Edmondson & Lei, 2023). By contrast, centralized power is negligible or slightly adverse once hierarchy and privilege are held constant, aligning with evidence that lower-PDI climates enable voice and information flow that support performance (Kirkman et al., 2009; Earley & Gibson, 2002). Subordination/social distance shows no unique effect after controls.

Further, the findings support a "structure-without-silencing" pathway: hierarchy supplies the coordination backbone, and credible privilege systems supply motivational energy, whereas excess centralization suppresses the social climate that sustains learning and adaptation (Marks, Mathieu, & Zaccaro, 2001; Edmondson & Lei, 2023). Practically, local governments should codify roles and decision rules, make rewards and advancement transparently merit-linked, decentralize day-to-day authority to protect voice, and widen gender representation to capture diversity gains (van Knippenberg & Schippers, 2007).

6. Conclusion

This study concludes that power distance remains a significant impediment to team effectiveness within Nepal's local government institutions. The entrenched hierarchical norms and widespread acceptance of unequal authority structures create an environment where open communication, active participation in decision-making, and collaborative problem-solving are significantly hindered. Employees operating under high power distance settings often experience apprehension in voicing opinions, sharing critical feedback, or initiating innovation, which collectively undermines the potential synergy of team-based work. Moreover, these barriers not only limit interpersonal trust and cooperation but also slow down organizational responsiveness and adaptability to local needs.

Addressing such deep-rooted cultural barriers is critical to realizing the true potential of Nepal's decentralized governance model. By fostering an organizational culture that encourages inclusivity, mutual respect, and participatory engagement, local governments

can enhance team effectiveness, thereby significantly improving the quality and efficiency of public service delivery at the grassroots level.

This study advances theory by extending the sparse empirical evidence on how cultural dimensions—specifically power distance—shape organizational behavior in South Asian public-sector settings, demonstrating that structured hierarchy and merit-based privilege predict team effectiveness while excessive centralization does not. Practically, it underscores the need for leadership development that prioritizes participatory management, codifies clear roles and decision rights without silencing voice, and actively narrows hierarchical gaps in communication and decision-making. At the policy level, it supports capacity-building initiatives that cultivate low–power-distance norms—targeted training in team-building, participative leadership, and inclusive communication—so that local governments can translate role clarity and fair recognition into higher cohesion, engagement, and process reliability. Collectively, these measures can enhance team effectiveness, strengthen local governance, and foster more responsive, citizen-centered public service delivery in Nepal.

7. Acknowledgment

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8. Conflict Of Interest

The author declares that there is no conflict of interest regarding the publication of this article. The study was conducted independently and objectively, without any financial, personal, or professional relationships that could have influenced the results or interpretations presented herein.

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