

THE GLOBAL LEADER AS PARTNER

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The 1999 study "Global Leadership: The Next Generation" (sponsored by Accenture and Financial Times Knowledge Dialogue) investigated the capabilities required for global leaders of the future. The study's purpose was to identify emerging leadership trends vital in a global work environment. More than 200 high-potential leaders were interviewed, originating from a variety of global for-profit, non-profit, and governmental organizations.

A key finding highlighted the challenges of effectively managing a globally dispersed team. As expected, increasing numbers of our clientele are facing these challenges as their organizations expand to compete in the global marketplace. In 2000, U.S. companies represented 185 of *Fortune* Magazine's Global 500 organizations.

Given this reality, how can leaders of globally dispersed teams partner most effectively with their direct reports? In this chapter, we have combined our expertise in the area with interviews of global leaders and their coaches to present solutions for partnering effectively with globally dispersed teams.

THE CHALLENGES OF GLOBALIZATION

Study participants were asked to identify the top three success factors for leaders of the past, present, and future. Although success factors of the past and present tended to focus on the communication and competency of the leader him- or herself (achieve personal excellence, communicate a clear vision, etc.), "understanding the impact of globalization on [their] business" was one of the top three factors identified for future global leaders.

According to the research, the challenge global leaders face is to equip themselves with the skills and resources needed to reach beyond local and national boundaries. Leaders need to know how cultures can work together, gain first-hand experience with other cultures, and even be able to speak foreign languages.

The 1999 study uncovered ten key challenges that global leaders encounter. Even though many of the challenges are common to non-international leaders, they are intensified in a global setting.

1. Change management: work and other paradigms shift constantly without any firm models to base decisions.
2. Role management: leadership and other functions change and combine within organizations at all levels.
3. Career/life management: lifetime employment gives way to life-style employment.
4. Global management: the workforce and clientele become increasingly diverse, with widely differing perspectives, expectations, needs and contributions.
5. Youth management: workers at all levels, including leaders, become much younger on average and more educated, with a completely different set of values, motivations and ambitions than their earlier counterparts.
6. Customer management: client relationships become more direct and more exacting.
7. Technology management: the uses and usage of real-time data and communication systems continue to grow exponentially.
8. Knowledge management: privacy, confidentiality and exclusivity become more and more difficult to maintain in an increasingly open industrial, governmental and social environment.
9. Time and resource management: technology and competition bring ever shorter deadlines. Everyone needs to do more in less time with fewer resources.
10. Virtual management: physical distances between colleagues and clients spread out around the world so that many people rarely get to meet face-to-face, if at all. Employees and operations will also be much more mobile.

The global leader needs not only to overcome these challenges, but to communicate them to their teams as well. Each member of the team needs to know the environment in which he or she works and understand the role he or she plays in meeting challenges.

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While partnering effectively as a global leader requires many of the same traits as general leadership, particular competency in certain key traits is essential. The required traits include cultural awareness, leadership approach, distanced empowerment, inspiring the vision, communication, and interpersonal relationships. Aside from effectively demonstrating these key behaviors, the leader must regularly reinforce proper behaviors among team members, thereby creating norms of acceptable “globally smart” behaviors for the team.

Cultural Awareness

The majority of a leader’s actions should begin with obtaining the proper cultural awareness of the members of the team and the knowledge about how each of the cultures interacts. First and foremost, a

leader needs to know each of his or her people as individuals. While some assumptions can be made based on an individual's cultural background, these should be readily discarded as greater knowledge of the individual as a person is learned.

Failure to do this will likely result in misunderstandings, inefficiencies, or worse. People tend to filter perceptions through their own beliefs and values and make decisions based on those filters. For example, Americans are viewed as relaxed, reckless, emotional, and impulsive by Japanese people, yet they are seen as reserved, cautious, and composed by Brazilians. A global leader needs to consciously analyze and understand these filters to better see things as they are.

Countless books and articles provide guidance to leaders on cultural awareness, many of which are focused on how American managers can better interact with other cultures. While these should be required reading for leaders, it also becomes critical in a team situation for the leader to become familiar with likely dynamics among team members. To that end, we suggest leaders deliberately study cultural characteristics among each cultural pairing in the team, while better learning about the people as individuals.

Also, assuming people from nearby regions are similar is a poor substitute for proper research (and can even make matters worse). For example, the culture, people, and business practices between northern and southern Italy or between Japan and Korea are very different. It could be offensive to confuse one with another.

A suggestion is to ensure that meetings rotate locations to allow members to physically visit each other's facilities, thus learning more about them and the cultural context in the process. Key holidays, such as Chinese New Year, Ramadan, etc., should be respected, even celebrated together as a team. A group

calendar function allows members to quickly see each other's schedules, and it can also highlight key holidays.

Key points for the global leader as partner:

- Study characteristics of all cultures comprising the team.
- Study likely dynamics arising between each cultural pairing.
- Spend significant time with each direct report getting to know them as individuals.
- Question filters and assumptions openly with direct reports and other culturally aware individuals.

Leadership Approach

The eternal dilemma on the most effective leadership approach (authoritative/participatory) becomes more acute in a global setting. In domestic management, properly applying the right style is complicated already. A leader will choose an approach based on knowledge of the subject matter, timeframe required, significance of "buy in", and other factors. However, in a globally dispersed team, leaders face an additional layer of complexity in balancing the proper leadership style necessary for the diverse direct reports of their team.

Simply practicing one style most of the time will likely backfire. For example, an American manager may have learned to regularly practice a collaborative leadership style. This may work for certain direct reports; however, this style is ineffective in many cultures in which the leader is expected to make decisions and "have all the answers", such as Latin America, the Middle East, and Asia. Yet, an authoritarian

approach would come across as “dictatorial” in North America and Western Europe.

The global team leader will have to counterbalance the leadership style required in a given situation with the preferred style based on cultural demands. Initially, it is suggested that leaders allow the culturally appropriate style choice to prevail. After time and after trust has been built, the more situationally appropriate style choice should emerge. Of course, the culturally appropriate style will be determined by the makeup of the team and will have to vary by direct report.

Gender issues could also be barriers in global team management. Some cultures are more hierarchical, and traditional businesses are managed and dominated by men. It could be difficult for a male subordinate to report to a female manager. An executive from a multinational pharmaceutical company said, “As a female executive from the U.S., I have to manage several Japanese males in my global team. They sometimes challenge me or even ignore my requests. So I have to change my style and become more authoritative. I also need to build credibility.”¹

Key points for the global leader as partner:

- A global leader needs to be aware of how his or her style influences team members in various cultures and be prepared to adapt his or her style to one that is effective for each culture.
- Once the leader has adapted his or her style to suit the culture of the team, the leader should be able to operate appropriately in each situation that arises.

¹ Taken from author interviews for the “Global Leadership: The Next Generation” study, Accenture and Keilty, Goldsmith and Company, 1999.

Distanced Empowerment

As the workforce becomes more and more spread out geographically, the global leader needs to be able to do more with less. Leaders cannot be everywhere at the same time; therefore, they must let go of operational details, while still ensuring that the organization is moving in the right direction. Leaders must recruit the best people, motivate them to think and work globally, and empower them to move the organization forward. Leaders must be able to trust people to do their jobs regardless of where they are.

It is also important to understand, however, how empowerment contrasts with the social habits of a particular culture. For example, in China, employee empowerment is a new concept for leadership practice. Several leaders pointed out that it’s challenging to delegate and empower Chinese employees to take ownership for their work: “It’s my boss’s job to make decisions and tell me what to do.”² Their job is to take orders and get the job done. How do leaders change the mindset and empower people to take responsibility? “Practice what you preach. Hold people accountable for their work. Be patient and consistent with your demands, and then reward people accordingly. It takes time, but it really works!” one leader stated.³

Another example from a global leader, “I worked with a Lebanese colleague who was educated in the U.S. and has lived in the U.S. for years, but he never speaks up. He is smart and knowledgeable, but it’s very hard to get him to correct or disagree with people. I had to encourage him to speak up by saying ‘What you have to say will help us do a better job.’ Then he’d share his opinion.”⁴

In Japanese culture, during negotiations or communication with third

² Ibid.

³ Ibid.

⁴ Ibid.

parties, most team members will keep silent, avoid eye contact, and wait for the highest executive to speak for the group. In such an example, global leaders should understand that their direct reports would not usually take a participatory role unless directly instructed to do so.

Key points for the global leader as partner:

- Empowering team members over a distance will be a necessity.
- Leaders sometimes have to give permissions and encouragement for people to take initiatives, make decisions, and even speak up.
- Avoid making assumptions on people based on their behaviors that are different from the western style.

Inspiring the Vision

Effective leaders are particularly skilled at creating and inspiring people toward a shared vision. In the global environment, leaders must be able to develop a vision that is clearly defined, but broad enough to be suitable across a wide spectrum. It will need to be compelling enough to keep people inspired in between group meetings. “Global leaders must believe in what you do, and love what you do. The passion is contagious. People want to know that you care about the product, about the services, and about the people,” emphasized one leader.⁵

Once again, what inspires and motivates people will vary from individual to individual; however, some cultures hold certain elements in high regard. For example, in Western cultures such as the United States and United Kingdom, employees are encouraged to express their opinions, and one’s identity is based on

individual achievement. It’s important for leaders to communicate not only the vision, but also how an individual’s work contributes to the overall success of the organization. On the other hand, Chinese and Japanese cultures are more group-oriented. Relationship prevails over task. Loss of “face” for self and group should be avoided at all costs. Identity is based on the social network to which one belongs. Therefore, the company’s good reputation and strong team relationships give employees pride and motivation. Using this knowledge, the global leader may be better able to tie the inspiring vision in with culturally desirable goals.

The leader must be able to articulate a vision and start an inexorable march towards realizing that vision. As one leader commented, “Keep the energy moving, no matter what.”⁶ Even still, working toward a vision also demands the ability of a leader to be able to anticipate new strategies and remain nimble enough to go in new directions.

Role modeling will continue to be an integral part of this equation. The leader must “walk the talk” and live by the mission and vision. A key to success for the future leader will be to embody the spirit and intent of the vision so that it becomes instilled in the workforce. Only if the leader can get “buy in” from the workforce can the mission be fully realized.

Key points for the global leader as partner:

- Ensure the team’s vision is clearly defined.
- Inspiring global team members to the vision requires more creativity than usual; use cultural knowledge of what motivates each individual as a person and motivate to that end.

⁵ Ibid.

⁶ Ibid.

Communication

Communication is regularly identified as a critical skill for global leaders. Leaders need to communicate frequently and often with all stakeholders. The role of the global leader is to compensate for the complexities of communicating over time zones and language barriers. Given the differences in time zone, distance, cultural barriers, and other factors, leaders have a greater responsibility for communicating effectively over multiple mediums.

The global leader must communicate in ways that are direct, yet diplomatic, without the use of colloquialisms or phrases that convey secondary messages. With the number of language and cultural obstacles that can cause miscommunication between parties, the global leader must maintain a consistent, clear communication style.

For example, in the Latin culture as well as many Asian cultures, there is often an avoidance of saying “no”, primarily as a way of maintaining a positive and cordial relationship. Obviously, when a leader is attempting to reach a conclusion or agreement, this can cause conflicts and misunderstandings. One way around this issue is to summarize conclusions in writing, so that all parties fully understand what has been agreed on.

Like never before, technology allows individuals across the globe to communicate at a moment’s notice. It is also true, however, that the more communication relies on technology, the greater the possibility there is for miscommunication. As J.B. Priestly said, “The more we elaborate our means of communication, the less we communicate.”⁷

There is an increased need for the global leader to appear “present”, even if he or she is not physically present all the time.

This requires much travel, heavy use of video and teleconferencing, and rapid response to inquiries through E-mail and other electronic means. Leaders should be perceived as very responsive and ever-present.

Leaders should set the norm of respect for each team member’s location. Conference calls should be planned at the most mutually convenient time possible (or rotated). A team leader from a large high-tech company pointed out, “People live in different time zones. Sometimes people would schedule conference calls at the time that’s convenient for the U.S. team, but it could be 2 A.M. in another country. Some of our overseas colleagues were too polite to mention it or request a different time.”⁸

To be able to listen, understand, and express empathy for other’s concerns is critical for global leaders. Conversely, the ability to reach a group with mass appeal through their oratorical abilities is also a needed skill.

Key points for the global leader as partner:

- A global leader must communicate frequently with each member of her or his team using a variety of mediums.
- When communicating cross-culturally, leaders must use words which have a clear meaning, practice active listening, and try to explain complex ideas in more than one way.
- A global leader needs to be aware of nonverbal communication and avoid making assumptions based on his or her own cultural values.
- When communicating with a multicultural team in English, leaders should avoid using slang and

⁷ Priestly, J.B., “Televiewing,” Thoughts in the Wilderness. Kennikat Press, New York, 1957.

⁸ See Note 1.

idioms, slow down and watch for “information overload” among non-native speakers. Give people time to reflect, translate back to their native language, and respond.

Interpersonal Relationships

Global leaders must build an intimate relationship with their team and build a deep level of respect, trust and mutual understanding. A global leader from South America told us, “I always acknowledge success of my global team by E-mail. Sharing the good news and congratulating the little people who are often invisible or neglected. I also give people frequent feedback, both positive and negative. It’s important to keep building the relationship.”⁹

Repeatedly, interviewees commented that the leader should establish a “foundation of trust”. This is key in all interpersonal relationships, and ever more so in a relationship of global reach. Building this trust may take more or less time depending on a variety of circumstances, many of them influenced by cultural differences. For example, *Guan-Xi* (the personal and social relationships) is the collective sense that forms the matrix of Chinese behavior by which things are accomplished. Without proper *Guan-Xi*, few things could get done in China. This is the opposite of Western culture, in which task prevails over the relationship, and hiring and promotion decisions are supposed to be based on skills and competence only.

A global leader shared his own experience in building trust with his global team: “A lot of listening and asking questions,” he states.¹⁰ Other leaders point out methods to building trust: “Show respect for different opinions, beliefs, and values,”

“Be supportive, empower people, and allow them to make mistakes,” “Walk the talk,” and “Demonstrate personal integrity; and avoid political behaviors.”¹¹

These trust-building measures, however, need to be adapted to the culture of the team. A sympathetic, measured approach is not necessarily the best one. For example, the communication style in the Israeli culture is often very confrontational and emotional. Leaders who do not respond in kind in such an environment risk losing credibility in the eyes of their direct reports. The key to successful interpersonal relationships is to develop an effective relationship within the context of the culture in which the leader works.

Key points for the global leader as partner:

- Work to build a “foundation of trust” with each team member.
- Recognize that accomplishing this takes varying methods and length of time given cultural circumstances.

CONCLUSION

Effectively partnering with a globally dispersed team is similar to general leadership; however, the aforementioned behaviors are particularly important. Global leaders need to form alliances between teams and organizations built on trust and focused on the same goals. These leaders need to be able to negotiate, listen and assess situations continuously. Workforces must become much more collaborative and exist in environments that encourage honest communication and feedback.

In conclusion, the global leaders of tomorrow must not only continuously assess their own communication skills and competence in a given field, but also realize

⁹ Ibid.

¹⁰ Ibid.

¹¹ Ibid.

that their future success depends on their ability to understand and communicate in ways that extend beyond convention.

The future leader needs to anticipate how his or her workforce will respond in a given situation and develop a vision in which a diverse workforce can excel. The ability to communicate a clear direction for the organization, so that the workforce can become empowered to move the organization forward, is of paramount concern to global leaders.

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