



WORLD CLASS LEADERS

*How to advance Competencies of Global Leaders and Teams
for optimal performance*

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1. INTRODUCTION

It is safe to say that no company exists today without the need for leadership skills to lead and manage long-distance. The global marketplace challenges organizations and their managers to understand these specific competencies and to develop new ways to collaborate.

Individuals are thrown into unfamiliar situations with unclear parameters; Teams need to operate virtually and have to develop strategies to work together effectively despite cultural differences and geographical distances; Human Resource professionals need to develop and allocate talent to meet organizations operational needs and goals.

Unfortunately, many organizations still default to a model that includes only local leadership skills without recognizing long-distance leadership as a critical skill set.

While some organizations have developed successful ways to operate in a global workplace, methods and leadership support still need to continually be adapted and re-designed to drive sustainable success. Business strategy clearly is successful when matched with human resources requirements.

In this paper we will describe some of the global leadership characteristics of individuals and teams, and how they can be identified and fostered. The purpose is to help organizations understand the parameters and impact of the competencies of a global leader, in order to compete effectively in the global marketplace.

2. CHALLENGES FOR GLOBAL LEADERS AND TEAMS

Getting things done is difficult enough when we work with business partners who speak the same language, and with whom we work in the same

firm, and have a similar cultural understanding of the world in which we operate.

Global leaders often find themselves in new situations where they will immediately experience confusion, misunderstandings, conflict, or at the very least some bewildered faces when they use the same modus operandi as they have in their home environment.

Various issues need to be managed successfully when operating in a global context.

a) Geographical distance and time zones

Business is increasingly conducted virtually and across different time zones due to efficiency, such as cost and time lost for travel. This means that we do not have the benefit of in-person meetings, which means we lose vital feedback information such as facial cues and body language which might help us get over language or cultural barriers. Time zones effect meeting planning and may require much flexibility from team members to meet at off-hours times.

b) Developing virtual relationships across diverse geographies

When we never see and meet our associates we need new tools to help us develop relationships. Verbal

communication becomes our major resource to create a connection with someone whom we cannot touch, smell and sometimes not even see. While western technology enables us most of the time to see other team members during virtual meetings, this is not always possible or practical. Leaders must learn to verbalize realities they experience; otherwise misunderstandings and wrong assumptions can derail the functionality of a meeting.

eg "It is very noisy here with the machines operating on the background, so don't be

surprised if I sound a bit loud, or if I ask you to repeat something several times.”

The person who experiences the background noise may be speaking at the top of their voice, which can easily be considered rude by the other side who is unaware of the noise factor. If we do not preface certain realities, our behaviour can very easily be misinterpreted. Conversely, if a leader experiences puzzling or confusing messages, it serves him well to ask about the behaviour and to state his own experience.

Eg I am noticing that you are speaking louder than usual. Are you noticing this too? What is happening at your end?

It also helps to design with the team up front the need to verbalize a lot, before team meetings begin. All team members are thus prepared and expected to speak to these issues in order to avoid misunderstanding.

c) Language barriers

Most people do not have good command of a language will not be very forthcoming during a conversation. Depending on the cultural background, they may experience shame at not being able to express themselves eloquently, and may withhold their participation and potentially crucial information.

Again, communication, and the encouragement of it, is crucial. The team leader can create a safe environment, where language gaps are not only permitted, but expected and normalized, since most people on the team are likely not speaking in their native tongue.

Again, designing with the team for this at the beginning of the team formation is advisable – otherwise it is possible to experience frustration or even ridicule amongst team members (even a tiny snicker at an awkward expression equates ridicule, will land as an insult, and can result in resentment and non-participation).

d) Understanding distinctive cultural values and patterns

We all are formed by the environment in which we grew up. This environment then becomes our “norm”, against which we base and measure

most of our experiences, actions and behaviours. Peoples “norms” are embedded in common business practices as well as in a variety of institutions (family, educational, legal, political, religious).

It is easy to make assumptions and have expectations based on our own cultural information. The fact is, we can safely assume only one thing: That we should not assume anything when it comes to what is considered “normal” in someone else experience. We also should not expect someone rooted in another culture to understand ours. The antidote: communication.

Eg “It is normal in Canadian business to start the meeting and get right to the point. I know that different cultures have different ways of how they begin a meeting...tell us how you normally begin a meeting.”

It may be a cultural norm for certain team members who have lower ranks to not speak up. This may also be true for women or other minorities in certain cultures. To get the input required the team leader may need to design around this, keeping cultural norms in mind, with the team and with the team members individually to come up with a system that serves everyone.

The secret here is to become curious anytime we see behaviours or patterns that we do not understand or that do not make sense to us. They usually make a lot of sense to those whom we observe, and a global leader will broaden her own horizon by asking about what she observes.

Managing assignments in different global regions can be tricky even if there is no language barrier, and if the region is relatively close. Talent Development can contribute significantly by helping executives manoeuvre in new situations.

Case Example:

A young executive from Canada is assigned to a project in the Southern United States. He is a competent leader and his company wants to set him up for success. The challenge: several managers were sent down before him, and results had been disappointing. Reason: inability of the Canadian managers to adapt successfully into the local team environment, and insufficient preparation for culture differences. An external coach with experience in helping executives bridge cultural differences was hired to support the executive. The leader successfully entered into the new team, thus leveraging the learning opportunity for her to expand his global management skill set.

3. COMPETENCIES OF STRONG GLOBAL LEADERS

Working in the international arena requires an added skill set beyond that which is required of a domestic manager.

DNL Global Inc. has been conducting an ongoing study of international project teams¹. 10 personality and work style competencies were evident in all types of project managers, but particularly so in global managers:

1. Relationship management
2. Business acumen
3. Adaptability
4. Cultural agility
5. Customer service orientation
6. Strategic thinking
7. Team leadership
8. Decision making
9. Organizational awareness
10. Influence

A 2005 study on the competencies of a strong global leader found many of the same personality and work style characteristics². The study used the "Big Five" personality dimensions - extraversion, agreeableness, conscientiousness, emotional stability and openness to experience - to describe successful global leaders. These competencies are further described in the chart below.

Understanding the Big Picture

- Demonstrating knowledge of the entire organization
- Using systems theory
- Effectively utilizing technology
- Demonstrating global sensitivity
- Utilizing effective compensation
- Demonstrating ethical practices

Communication, The Leader's Voice

- Demonstrating appropriate emotional intelligence
- Using active listening
- Skilfully using language
- Demonstrating non-defensiveness
- Skilfully using body language
- Effective interviewing
- Effective negotiation
- Effectively giving oral presentations

Teamwork and Follower-ship - Learning to focus

- Employing no-fault problem solving
- Developing a team oriented culture
- Developing team-based incentive and reward systems
- Managing your boss
- Navigating organizational politics
- Supporting others on the team
- Utilizing empowerment
- Developing self-directed work teams

Attitudes are Everything

- Demonstrating a vision
- Showing inclusiveness and respect for diversity
- Overcoming adversity
- Demonstrating appropriate confidence in self and others

Leadership, The Driving Force

- Inspiring others
- Going against outdated/ ineffective practices
- Building trust
- Varying leadership to the demands of the situation
- Delegating
- Evaluating & Mentoring others
- Demonstrating sensitivity & empathy
- Seeing nuances of alternatives, not just either/or extremes
- Being an appropriate role model

Leading Change - Creating transformational change

- Developing a continuous learning culture
- Building support mechanisms to create and sustain change efforts
- Managing the change process
- Developing change agents
- Encouraging individual change
- Encouraging structural change

Innovation and Creativity - Developing an innovative organizational climate

- Improving creative decision-making
- Avoiding indecision based on old paradigms
- Learning reframing
- Encouraging people to use and develop their creative abilities

While some individual leaders are well equipped because of their personality or their personal history (they may have lived in different countries already, or they may have grown up in a multi-cultural environment), for most people it will be crucial to receive targeted support to enhance the global leadership skill set they need to successfully carry out their global responsibilities.

Support and performance management for Individual leaders

Managing performance globally is a complex issue for most companies. What constitutes an effective formula to match talent with business objectives? Several best practices can be listed in this area.

- Supervisors and human resource staff have to understand the company's business goals and how expats help accomplish those objectives. An employee needs to be clear as to what constitutes "a job well done". There may be

differences depending on the culture in which the expat is working. Sound appraisal and performance standards for staff on international assignments are crucial.

- Preparation for new global leaders or leaders on new assignments is a key success factor in international business assignments. Competency gap analysis and the design of appropriate support structure have been proven to result in significant ROI. Mentors, coaches, and input from domestic and foreign supervisors prior to and during some of all of the phases optimizes employee and company performance and reduces failure rates.
- Who should do the performance management? People agree that it's best to have people closest to the employee provide that feedback.

One of the key measurements should be how well the individual is adjusting to the culture. Typically, in the United States, companies don't allow much time for adjustment or even monitor it. Contrast this to Japanese firms that typically don't expect any business results from an individual for six to twelve months because the person is adapting to the culture. An appropriate and communicated adjustment period needs to be designed to allow for adaptation.

One example is the Monsanto approach to global talent management. Monsanto employees who are going overseas on assignment speak with their sending and receiving line managers to produce an action plan for development. It includes not only the business goals, but also the cross cultural competency they need to achieve onsite. Before employees attend cross cultural training—whether they are functional or developmental assignees—they take time to think about the position. They write a job description and what they are supposed to accomplish while on assignment. Cross cultural counselors move the training into a bottom line business briefing that helps flesh out the action plan. When the expatriate goes abroad, he or she asks the receiving manager buy off on the action plan. They also ask the supervisor to help them accomplish the action plan.

- On the corporate side, performance management and ongoing communication

between the home office and the ex-pat is crucial, because what the individual is doing in relation to the company's strategy overseas needs to be monitored. The employee needs to understand how their impact and input fits into this strategy. If you think the employee is doing well, and this is in fact not the case, but the business takes no action, all of a sudden results will suffer. On the other hand, if the employee is doing well and the company takes inappropriate action, it could hurt good performance.

- When employees return, they need to be re-assigned and re-integrated appropriately. Mishandling the performance management of expatriates is a very expensive mistake. "In a four-year assignment, the company has spent over \$1.2 million," says J. Stewart Black, associate professor of international management at Glendale, Arizona-based Thunderbird (the American Graduate School of International Management). "If the employee leaves, it's like financing the international education of an employee for a competitor. You'd be better off just to give the competitor the \$1.2 million."⁴

Returning expats should go through a formal repatriation process, during which time they

One young German executive returned from a successful 1 year foreign assignment just to find that there was no appropriate position for her at her company. After several unsuccessful requests to find a position that would utilize her skill set she left for another firm – clearly a costly mistake for the firm.

showcase their knowledge to their peers, subordinates and superiors through formal presentations and informal get-togethers. This opportunity leverages the learning the returning expat brings back, and it also deepens his own learning experience from the experience abroad.

4. GLOBAL TEAM LEADERSHIP COMPETENCIES

A recent study including 170 teams from fifteen organizations, GlobeSmart, a web-based business

service providing information on global business issues, identified areas where teams are generally strongest and where they typically fall short.³ Below is an analysis of survey results and some recommendations for helping teams work together more effectively to achieve business goals.

SURVEY RESULTS: AN OVERVIEW

The survey that participants completed contains thirty-six items in six dimensions. Team self-ratings highlighted team strength and weaknesses:

Areas of Greatest Team Strength

- Team members have the skills they need to accomplish their tasks.
- Team members effectively use email, voicemail and other virtual methods of communication.
- All members of the team share their own ideas openly during meetings.
- All members of the team are clear on their roles and responsibilities.
- The team's communication systems allow team members to receive the information they need on a regular, timely basis.

Areas of Greatest Team Weakness

- The team has an effective decision-making process.
- Team members give and receive critical feedback in a constructive manner.
- The team has an effective procedure for resolving problems among team members.
- Each member of the team is willing to try new ideas offered by members from different cultures.
- There is a high level of trust among team members.

These lower-rated items reinforce the particular importance for global teams of dealing with different assumptions and ideas about work process — that is, how they can best carry out crucial tasks together. Decision-making, feedback, problem solving, and even the fundamental area of building trust among team members appear to require focused and sustained attention in a diverse team setting in order to ensure positive results. The two survey dimensions with the lowest overall team performance ratings were Team

Process — which includes items such as decision-making and feedback — and Cultural Diversity, a category that examines the ability of teams to effectively leverage the different backgrounds of team members.

Support and Performance Management for Global Teams

Based on the research findings described above, and from our own experience with teams, there are 5 recommendations for leaders, participants, and facilitators of global teams to keep in mind:

1. *Leadership Competency Areas:* Dedicate specific attention to the tricky areas of decision-making, feedback, problem solving, building trust, and leveraging cultural diversity.
2. *Executive Leadership Support:* Offer experienced support to senior executives on global teams who face new situations, particularly tough decisions and contentious issues. In particular, consider team and/or individual coaching, mentorship support or specific team training for support initiatives.
3. *Certain Regions need special focus:* Carefully integrate team members from Latin America, the Middle East, or Africa who may otherwise feel marginalized. Comparisons between the different world regions that were represented yielded somewhat unexpected results as well. The responses of team members from North

Some of your virtual team members show up every meeting and are really great at using the technology used to facilitate our meetings. Others, if they show up, just never seem to engage. They never share anything virtually and they seem to resist even trying to engage. 'Avoidance' and 'resistance' seems to be their operational mode. They just don't believe a team can operate effectively this way. For detailed information on virtual teams go to view [Link to jans article \(insert website\)](#)

America, Europe, and Asia, displayed a surprising degree of agreement with regard to both team strengths and team weaknesses. However, the ratings from employees from

Latin America, the Middle East, and Africa, were consistently lower than for different regions. This finding suggests that special focus is required to integrate team members who are from those areas in order to ensure that they can function as fully engaged participants.

4. *Face-to-face Time*: If it is possible to invest in at least one face-to-face team meeting, plan to do this at the very start of the team's interactions. As one team leader remarked, "We recently had a face-to-face meeting after six months of working together, and we've gotten more done in the last two or three days than in the entire previous six months." In an era of tight budgets and widely dispersed teams the opportunities for direct personal contact are often limited; however, the starting point of team interactions appears to be the most critical time to invest in bringing team members together.
5. *Conflict Management*: Provide new strategies and resources to team members for resolving or avoiding conflicts. Some of these methods are: returning to previous points of agreement, creating a picture of the whole system, and

examining stakeholder needs. Often there are "nested Teams" within a larger team, who have their own conflict issues. This dynamic can affect other team members as well as team results, and needs to be addressed

5. CONCLUSION

Leaders all over the world work hard to achieve the best results possible for their organization. In the process, they impact their team, and also countless people in their environment. Optimizing these leaders by helping them with their competencies has many direct and indirect benefits to organizations and countries. Business has a strong mandate, now more than ever, to pay careful attention to the footprint they intend to leave in any country they operate in. Solid leadership will cause solid results on all levels – financial, social and environmental.

Footnotes

1. DNL Global study <http://www.sourcingmag.com/content/c060925a.asp>
2. A 2005 study Stewart Tubbs and Eric Schulz of Eastern Michigan University Stewart Tubbs and Eric Schulz's "Exploring a Taxonomy of Global Leadership Competencies and Meta-competencies" Stewart L Tubbs, Eric Schulz. (2006). Exploring a Taxonomy of Global Leadership Competencies and Meta-competencies. Journal of American Academy of Business, Cambridge, 8(2), 29-34 <http://www.globesmart.com>
3. Personnel Journal, October 1994, Vol.73, No. 10, pp.96-108. Charlene Marmer Solomon is a contributing editor to Workforce.
4. <http://www.globesmart.com>

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Integra Leadership Inc.

Integra Leadership Inc specializes in organizational development solutions that result in enhanced communication, collaboration and cohesion in their workforce, leading to higher productivity and superior results. Integra partners with organizations throughout Canada and across North America to integrate leadership, team and culture solutions into their people programs, drawing on their team of pre-screened credentialed coaches and facilitators in various North American centers.

Jan McKilligan of Leadit Teams is an Integra Strategic Partner, specializing in building and sustaining global high-performing teams through the integration of strategy work with corporate vision.

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