Developing Leadership in Global and Multi-cultural Organizations

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Abstract

This paper provides a definition of leadership, explores global leadership, and how managers can develop the leadership skills necessary in a dynamic, global environment. The definition and the examination of global leadership provide a foundation for developing leader effectiveness in a global and diverse organizational environment. The emphasis is on leadership in formal, global, and diverse organizations and the leadership principles that can be practiced, applied, and concluded with some guiding principles from the literature.

Key Words: Global leadership, multi-cultural organization, management.

Introduction

The study of leadership has been an ongoing process for many, many years and has been broadly defined as a process of social influence. Leadership, unlike management, is not dependent on position, title or privilege; instead it is an observable, understandable, and learnable setp of skills that can be mastered by anyone that is willing to take the time and put forth the effort to learn them (Yukl, 1998). It has been suggested by several authors that few terms inspire less agreement than the definition of leadership. If you believe that leadership is a dynamic process of interaction among and between people, then a clear definition may not be possible. Bass suggested in 1990 there may be as much definition as there are authors on the subject (Kreitner & Kinicki, 2001). Yukl also remarked on the numerous definitions, "the differences are not just a case of scholarly nitpicking. They reflect deep disagreement about identification of leaders and leadership processes" (1998, p.3). However, any discussion of leadership demands a definition be put forth as a part of the exercise. Therefore, the following definition is put forth as a part of our discussion:

The capability to create a vision and communicate that vision to others to share in making that vision a reality.

- Leadership is dynamic
- Leadership is not a function of level or position

Furthermore, leaders have certain fundamental beliefs and attributes:

- Leaders believe that honest and ethical behavior are foundational values of true leadership.
- Leaders use holistic thinking, communication, and accountability as the fundamental attributes of leadership.

Leadership is the ability to influence others by setting and inspiring example. The example is one that motivates people to pursue goals that benefit the organization. Typically, leadership involves creating a vision of the organizational future, devising a strategy for achieving that vision, and communicating that vision to all members of the organization.

When the vision is communicated, the leader must ensure the vision is clear so that everyone within the organization understands it. Global leadership also entails providing an atmosphere that will encourage and stimulate people to surmount obstacles (Kouzes & Posner, 1995). Debate has been raging in the popular management literature concerning whether leading and managing are different behaviors. They are different behaviors. One of the major differences between leaders and managers is the ability to influence change. Managers maintain the direction and oversee processes. Managers create stability. Leaders create change and set the direction. A leader can take people and an organization in a new direction with their leadership abilities.

Organizational members are looking to the leadership to communicate, collaborate, and to set the course for the organization. Leaders use their collaboration and communication skills and abilities to gain the trust of people and through their actions, he or she gains influence. It is the ability to influence others that gives a leader his or her power. It is the leader that creates the vision and uses their influence with others to make the vision a reality. Without the leader setting the course and navigating through those bumps and dips that occur, the organization may be headed for a crash. Hard work and talent will only take you and your organization so far. A lack of leadership stifles any further progress.

Literature Review

Developing a Global Leadership Model

Globalization has seemingly overwhelmed many organizations and leaders within them because of the rapid pace and lack of training many leaders have had on dealing with and understanding the various communities across the globe. Many organizations spend more time and resources providing employees training on new equipment and software than developing managerial and leadership skills. This occurs many times in spite of the discussion that visionary leadership is what is needed to compete, succeed, and to continue to grow as an organization in our global world. Another reason may be due to the fact that until very recently, global business was considered the purview of a few large businesses and as a sideline for the few others that participated in this area. Morrison (2000) uses these reasons for developing a model of global leadership and the competencies that are required to successfully implement the leadership model.

Morrison (2000) points out that global leadership models must draw from many academic disciplines to be able to understand and appreciate the business environment across the globe. By using a multi-disciplinary approach, leaders are able to understand the communities where the organization is present and have the ability to work with and motivate people in the different cultures. The model also points out that domestic leadership models that work in a particular country will not always work in the global environment (Morrison, 2000). Within the United States, the concept of long-term efficiencies are common in leadership. The exploitation of short-term inefficiencies is not always congruent with the culture and the realities in the global marketplace, so there must be new ways of looking at leadership within the context of organizational goals and global realities.

The central point of Morrison's (2000) article is that to develop a workable and realistic model for global leadership, the organization must understand how the model should be structured so as to take into account the need for culture, global strategy, and the development of leadership competencies that are needed to move the organization forward in a competitive manner. To be able to provide training to provide training for leaders in global leadership competencies for the future utilizing a generalized model of global leadership, the organization must ensure there are people within the organization that have the knowledge, skills, and abilities to teach and train on this multi-disciplinary approach.

Without having these trained people, it may be difficult – if not impossible – to imbue the organization with the competencies because there will be a serious lack of credibility within the organization for the trainer(s) and the program.While it is important that an organization develop a global leadership model that works for them, various organizations must work together to develop a universally applicable leadership model that is separate from the internal model that works just within that particular organization (Morrison, 2000). By creating this global leadership model, all organizations can change the model to meet their needs and assist to integrate their organization into the global economy while at the same time helping to meet all the organizational goals for a particular company. There also needs to be a specific component that addresses the importance of culture on the leadership model and the practice of leadership within the global environment. By addressing the cultural component of leadership, leaders will be able to understand and apply difference culturally relevant leadership behaviors and skills (Morrison, 2000).

By addressing the cultural element organizations can determine if they are strong or weak in the areas that deal with local and regional cultures throughout the globe. By understanding these aspects, an organization will be able to have a seamless integration with strategic partners or communities throughout the world without the enormous pressure to accomplish this integration without the knowledge of how to accomplish the goals.

Exploring a Taxonomy of Global Leadership Competencies and Meta-competencies

Tubbs and Schultz (2006) make the argument that there is nothing more important than to define and describe the competencies that make-up leadership within global organization. These competencies need to be defined and described so that organizations can ensure they are taught throughout the organization so as to help achieve the strategic goals that move the organization forward within the industrial sector.The self-confidence of the leader is something that is paramount in the area of personality that must be taken into account when it comes to leadership competencies. Self-confidence coupled with the individual's locus of control form the basis of enhancing the leaders work performance and motivation while at the same time creating higher job expectations (Tubbs & Schulz, 206). While these personality components are important, they are characteristics that are set in the formative years of the leader and cannot be easily changed when the leader enters the workforce (Tubbs & Schulz).

Conversely ethics or values can be taught and refined as the leader grows. Each organization has different values and ethics that must be adhered to and these must be taught by each organization so that the leader can conform and adapt to the expectations or the organization and the industry. Tubbs and Schulz (2006) point out that organizations that have leaders who adhere and demonstrate a strong set of ethics and values will succeed over the long-term in various environments. While ethics can be taught, it is easier for a leader to change their behaviors than for them to change their ethical beliefs and values (Tubbs & Schulz). The leader must also have and demonstrate competencies in the areas that are essential for the survival and growth of the organization. Some of these competencies include innovation and creativity; communication skills; change management; and a holistic understanding of the organization and its internal and external environments (Tubbs & Schulz, 2006). All of these are important competencies, but the leader must demonstrate competence in the holistic understanding of the internal and external environments, if not, the leader does not have the ability to lead and guide the organization to the attainment of future strategic goals in addition to impeding the organization's ability to compete in a global marketplace.

Tubbs and Schulz (2006) suggest that practitioners and professors of leadership must understand and be able to teach and apply a well-defined set of competencies to their employees or students. Without this well-defined set of competencies there can may be some growth in the area of leadership, but it will be hit and miss at best. With competencies there can be learning and application in a systematic way that leads to meeting and exceeding organizational goals (Tubbs & Schulz).

Global Leadership Competencies: A Review and Discussion

Jokinen (2005) discusses how by increasing the understanding of globalization and the interrelatedness that accompanies that interconnectedness allows leaders to be able to change the organization to meet any challenges the organization may encounter. The competencies that should be taught and inculcated within the organization must be directly related to their global business strategy (Jokinen). The organization needs to have a framework within which to look at the organizational strategy so the competencies can be taught throughout the organization. Without a meta-framework, any organization will not have the ability to coherently analyze the strategies and then place the learning in the context of a holistic system for teaching.

Competencies have been defined in the past as either behavioral, personality, values and knowledge as the framework to teach and study the core global leadership competencies (Jokinen, 2005). Jokinen sees the competencies as being "those universal qualities that allow individuals to perform their job outside their own national as well as organization culture" (p. 201). By using this approach there is a synergy that results and allows the leaders the the organization to focus on areas that are analogous across the competencies, thus allowing for a systematic integration of the competencies that allows for the implementation and training these areas.

Jokinen (2005) identifies three areas of core global leadership competencies that must be addressed and studied: behavioral, cognitive, and core competencies. Jokinen suggests the core competencies of self-awareness, inquisitiveness, and personal transformation as the driving factors in the study and practice of global leadership.

These core competencies are viewed as the forces that move the other two compentcy areas of behavior and cognitive.   The core competencies all stress the importance of continuous learning the application of the knowledge that was learned.

By having these core competencies it allows the leader to build upon them to go further in the global environment because there is an integrative framework that views global leadership as a holistic experience that integrates more than just the competencies that are required for the position. Jokinen (2005) suggests that when utilizing this framework the leader or the organization needs to focus more on education and learning that helps to acquire the global leadership skills needed than to focus on quantitatively attempting to measure and assess the competencies as they are acquired.

Identifying Global Leadership Competencies: An Exploratory Study

Bueno and Tubbs (2004) discuss how that global leadership competencies are acquired over the long-term and if these competences can be identified, then the timeline for acquiring these competencies can be greatly reduced if they are taught and understood in a framework that is in a knowable progression.   The global leadership competency areas that are described by Bueno and Tubbs are behavioral, cognitive, and attitudinal.

The global leadership competencies that were discussed came into light via discussions and interviews held with executives in global organizations. By using this methodology, the authors were able to define the competencies that were of consequence and of the most significance to the organization. The authors discuss how their study could be limited applicability within academia and the business world because of the small sample size. This limitation is only heightened by the fact that of the executives that were interviewed, well over three-fourths of the interviewees were from the same general geographic area of the world, thus further limiting the applicability of the study and possibly rendering the findings moot.

Global Leadership Capability: An Asian-Pacific Perspective

Leadership styles and actions differ across cultural and organizational boundaries and because of huge differences, there needs to be leadership abilities and knowledge that move across the cultural and organizational boundaries to assist in growing the organization. For this and other reasons Carey, Newman, and McDonough (2004) posit the idea that there needs to be a global leadership model that allows leaders to address the needs and issues in whichever culture they are operating at present. This global leadership capability is behaviorally based and is a mixture of varied cultural competencies as well as leadership skills (Carey, et al).

The changes that have occurred in technology and telecommunications have changed organizational and economic spatiality has drivien the dire need for a set of global leadership competencies because these changes all an organization to create a span of control that covers the world and also gives the organization the ability to operate worldwide in real-time without the lag that was present in the previous decades. Before a leader can operate in this environment they must first be able to understand the differences in the disparate community cultures and be able to adapt to those different cultures.

The authors discuss how the Asian culture is vastly different from the typical Western culture and leader'smust be able to understand these differences before they can lead people in these regions (Carey, et al., 2004). There are many different mythos that may lead to misunderstandings and misperceptions when it comes to global leadership competencies due to the fact that cultures are far from being simplistic. The different cultures are very dynamic and complicated and, at times, very contradictory in what they believe and the way each operates (Carey, et al., 2004).

Carey, et al. (2004) base their global leadership competencies on a more collaborative and flexible form of inclusive leadership while discounting the ideas of competence as it relates to the specific job. The authors make a distinction between leaders and managers and lead the reader to believe the two areas are not compatible, thus leading one to the assumption that a person can only be a leader or a manager instead of being both at the same time (Carey, et al.). The authors base their global leadership competencies almost exclusively on trust and values and place all other competencies in a secondary position to this. While there may be validity in this position, it does cause issues when looked at holistically in light of a global organization. If the leader is honest, then a trust-based relationship may be developed and nurtured; however, if the leader is honest but does not possess the knowledge, skills, or abilities to make the necessary decision or communicate effectively with employees, then the organization will be unable to meet the goals of growth and continued profit.

As the interconnectedness of global organizations amplify and the pace of change increases, the idea of flexibility comes to the fore and makes it very important part of the global leadership competencies. Without flexibility, the leader is unable to change and move towards the future. When leaders and organizations implement global leadership competencies, the organizations ability to cross geographic and cultural boundaries increases exponentially while giving the organization and the leaders the flexibility to meet challenges as they occur (Carey, et al., 2004). By having, understanding, and utilizing global leadership competencies the leader will be able to be more effective because of the comprehensive mindset that is endemic to all global leadership competencies.

Leading Across Cultures: Attachment Style Influences

Leading across cultural divides around the globe requires the leader and the organization possess specific knowledge, skills, and abilities that include technical and organizational knowledge and particular interpersonal skills (Manning, 2003). According to Manning, the most important skill that leaders need in a global leadership environment is that skill termed relationship competence. This skill of relationship competence is one where the best in people are brought out and where trust is build through connections (Manning). Developing relationships is not an easy task. The leader must be approachable and sometimes, the leader must listen more than anything else. It is through listening that the leader is able to discover much about an individual and establish a relationship with that individual. Leadership is about relationships and cultivating those relationships.

By utilizing attachment theory, the organization is able to utilize previously gained experiences to analyze the business environment with an optimism that allows the organization to grow (Manning, 2003). It also suggests that an organization would be able to ascertain which organizational leaders are secure, thus finding leaders that are able to be more relationship-oriented instead of the typical task-oriented leader (Manning). Manning holds that organizations are too attached to sending leaders into a global environment that are technical and organizational experts instead of people that are experts in interpersonal relationships. By utilizing numerous assessments and tools, organizations can evaluate the cultural sensitivity of leaders before they are sent on international assignments, thus the organization is able to provide these leaders the needed training, development, and educational opportunities so the individual can operate in and be sensitive to the local culture of the community and the employees (Morrison).

By identifying leaders that will be interacting with international communities and employees early, an organization will be able to provide training that keeps the leader from shutting themselves off from the rest of the employees and acting with a heavy hand (Morrison, 2000). By training these leaders, the organization will be able to have a direct impact on their international operations through the inculcation of behaviorally based training that allows the leader to understand the impact of actions in relation to the local culture of the community and the employees. This will allow the leader to interact with the community and motivate the employees with relevant rewards instead of insulting them by trying to use motivation techniques that worked in the home country.

The Women's Global Leadership Forum: Enhancing One Company's Global Leadership Capability

Global and domestic leadership are not the same due to the fact that an organization and country are not separated from the world community by time and space as in decades past.   The contributions of women as global leaders is increasing because of the inclusion of women in the workforce and their constant moving up the corporate ladder to leadership positions in multinational organizations (Adler, Brody, & Osland, 2000).

Organizations that have a set of global leadership competencies must inculcate the employees with a mindset that includes a culture of meritocracy which promotes and utilizes the best within the organization, male or female, and moves even further away from the previous mindset of a male only or male dominated workforce (Adler et al., 2000). By moving away from this mindset, organizations are able to use and make the most of women throughout the world which brings in more and varied experiences and opinions to help the organization meet their goals. In a survey that was administer by Alder et al, women executives bring to the fore the importance of ensuring that relationships are made and maintained within the various global communities (Adler et al.). This is just as important as the abilities that are needed within the organization to understand finance and the industrial operations of the organization.

The authors concluded that the only way to increase the global leadership competencies within an organization is by enhancing the individual's knowledge, skills and abilities through education and training (Adler et al., 2000). Alder, et al. break this training and education down into three separate categories that lead to understanding and utilizing global leadership competencies.

The three categories are the power to, the power with, and the power within (Adler et al.). Each of these areas helps the leader and the organization understand and work with an international community and help achieve and exceed the organizational goals.The power to competency assists the leader to understand where they are going and have a vision where they and the organization are going in the future and how it can be achieved (Adler, et al., 2000). The power with competency gives the leader and the organization the knowledge, skills, and abilities that are needed to work with and understand people from many different cultures (Adler, et al.). The power with includes the skills of communication, negotiating, and teamwork. These skills are built upon with the power within which is where the leader understands their power within the organization comes not from the organization but from their deeply held values and ethics which contribute to the organizational growth (Adler, et al.).

Global leadership competencies can be increased within organizations by establishing a network where women are able share experiences and skills with other women, thus helping the organization to increase their organizational learning and utilize the expertise that is held within their confines (Adler et al., 2000). This type of network or forum allows women to understand the impact that women have as leaders and the commonality that is held by women across the world and how this affects their leadership and the organization. Adler et al (2000) postulate that women can be brought into leadership positions by teaching them global leadership competencies through a system that utilizes career development, diversity and work/life balance to help achieve organizational goals. By utilizing this systematic training, women are able to gain the knowledge, skills and abilities needed to lead organizations in a global environment which will lead to greater growth and added revenues because the organization is utilizing the unique experiences of women in the workforce (Adler et al.).
Discussion.

Women as Leaders

The number of women in leadership positions has increased steadily since 1970. Women occupy slightly over 25 percent of the supervisory position in U.S. industry and just 11 percent of senior executive positions, although they represent 51 percent of the world population (Sellers, 1999). Research indicates that men's attitudes toward women in the workplace are gradually changing as more women enter the workforce and assume leadership positions within global organizations. Studies show, however, that both men and women executives believe women have to be exceptional to succeed in the business world. Women leaders still face disadvantages in business and feel they must work harder than men to succeed (Rosener, 1990).

In the past, successful leaders have been associated with stereotypical masculine attributes such as competitiveness, task orientation, and willingness to take risks. Recent studies, however, show that female middle and top-level executives no longer equate successful leadership with these masculine attributes. Experienced female managers show no differences in leadership ability from their experienced male counterparts. Both groups possess a high need for achievement and power, and both demonstrate assertiveness, self-reliance, risk taking, and other traits and behaviors associated with leadership. Once men and women have established themselves as leaders in organizations, women do not behave differently than men (Powell, 1990). However, a trend exists of more women making their way to the top who are not only adopting styles and attitudes they have developed from their experiences as women (Parry, 2000). Generally, women are more likely to use behaviors that are associated with transformational leadership, such as reliance on expertise, charisma, and interpersonal skills. Men, on the other hand are more likely to be directive in their approach to leadership within the organization (Parry).

A New Model of Leadership

All of the leadership models that are discussed in the academic literature offer important knowledge about leadership. By combining many of the concepts, including women as leaders into a new framework or model, insights can be offered into successful leadership. This model would need to be based on three very important areas that are endemic to leadership. Those areas are competence, character, and community.The essence of strategic planning is execution and the essence of execution is leadership. Without leadership, there is no guiding light to assist any member of the organization to reach the goals and objectives set for the group. For any organization, whether it is public, private, for-profit, or non-profit, to be successful in its pursuit of its goals and objectives, leadership is essential. The members of the organization (community) are looking to the leaders to communicate, collaborate, and to set the course for the organization. Without the leadership setting the course and navigating through those bumps and dips that occur (competence), the organization will find its progress inhibited.

One of the major differences between leaders and managers is the ability to influence change. Managers maintain the direction and oversee processes. Managers create stability. Leaders create change and set the direction. Good leaders can take an organization in a new direction with their leadership abilities.Character refers to the values and behaviors that are exhibited by the leader which inspires trust, commitment and followership (Sosik & Megerian, 1999). These things are essential for any global organization to achieve its mission. Characteristics such as integrity, honesty, high ethical standards, courage, discipline, and persistence are the foundations for the leader's character.

If a global leader has the characteristics combined with the previously discussed competencies, the leader has the opportunity to earn the trust of the people within the organization and will set the example of the behaviors that are needed for the success of the organization (Hanson, 2002).The result of the combination of character and competence will be a vibrant organizational community that is healthy and inspiring. The atmosphere within a healthy, vibrant organization community will instill in the people that work in the organization a sense of followership where they work together to achieve the organizations goals and fulfill the mission and vision for the organization. When the organizational leaders apply this concept of community outside the organization, it will build strong and positive ties between the organization and the external community, upon which the organization depends for customers, employees, and healthy economic conditions.

Conclusion

With ever increasing globalization and change, leaders will be challenged to manage relationships more than in the past. This will include the ability to interact effectively with diversity of partners and other businesses and within the larger context of differing cultures. Predictions are that the total trade between countries will exceed the total value of trade within countries by the year 2015 (Thaler-Carter, 2000). This will truly require global leaders. As we have discussed in this paper, the changing global environment is likely to continue to stimulate the transformation and revitalization of public and private institutions. Small as well as large U.S. corporations recognize they will have to change in order to compete in the global marketplace. They have embarked on programs of extensive change that must be accomplished in short periods of time. Such transformations require a new set of leadership skills and a good working definition of leadership.

It is clear that the successful leader of the twenty-first century will be one who promotes leadership development and encourages workers to assume his or her role as a leader. Individuals working in twenty-first century global organizations must be innovative and creative, practice continuous learning, have values that especially include integrity, have a personal vision, be in charge of their own careers, motivate from within, plan, communicate, and seek harmonious relationships with stakeholders.

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