Ivey Business School
London, ON

Global Leadership (9005)
Interpersonal Skills Every Global Leader Should Have

Body Work Count: 2054 words

STUDENT RW

April 4th, 2023

This article explores essential interpersonal skills that help global leaders to build cultural bridges and develop successful cross-cultural relationships. According to the literature as well as the experience of my interviewees, being humble, trusting, and communicating mindfully are three crucial interpersonal skills that global leaders need. They help to bridge cultural differences and develop successful personal relationships with employees and other business stakeholders. Together we will learn how you can develop and apply these skills in everyday life.

"Not so long ago, CEOs' most valued skills seemed to be being visionary, full of ideas, and striving for new opportunities. Today, I feel that the skills that are most valued are empathy, stability, and good communication to build trust and reliability." – Interviewee 3

What is Global Leadership?

Before diving into the essential interpersonal skills of global leaders, let me define who global leaders are and what the term means. "Global leaders are individuals who effect significant positive change in organizations by building communities through the development of trust and the arrangement of organizational structures and processes in a context involving multiple cross-boundary stakeholders, multiple sources of external cross-boundary authority, and multiple cultures under conditions of temporal, geographic and cultural complexity" (Mendenhall et al., 2008:17). Especially the global component of the term global leadership is important to understand as it adds characteristics to leadership that differentiates it from leaders in a domestic context (Rosen et al., 2000).

Let me highlight the three most crucial differences between leadership and global leadership. Firstly, Ghoshal and Westney (1993) observed that global leadership increases complexity which "arises from operating in multiple geographical markets, engaging in multifunctional activities and often multiple product lines, and in dealing with heterogeneity in terms of diverging and optimal solutions for different businesses, countries, and tasks." Secondly, global leaders are involved in boundary spanning to create linkages that integrate and coordinate across functional and geographic boundaries and to move ideas, information, decisions, talent, and resources (Beechler et al. 2004: 122). These differences in cultural, linguistic, religious, educational, political, and legal systems (Dow & Karunaratna, 2006) differentiate the work environment of a global leader from a leader in a domestic environment. Lastly, the presence and the "degree to which an individual is required to physically move across geographic, cultural, and national boundaries" differentiates global from domestic leadership contexts.

The Pro's and Con's of Stereotypes

National cultures differ in "values, ideologies, organizational assumptions, work practices, and behavioral styles" (Moss Kanter & Corn, 1994). However, an international study on contextual factors affecting cross-cultural relationship success also found that "differences between functions were a greater source of conflict than differences between nationalities" (Moss Kanter & Corn, 1994). Often, differences that were initially mistaken as cultural turned out to be differences in how business is done. Contextual and situational factors (technical fit, business performance, rich communication) proved to be more important determinants of relationship effectiveness than cultural differences (Moss Kanter & Corn, 1994).

But why do we often attach such great importance to cultural differences and identify differences that are not cultural as such? The development of stereotypes and a certain pigeonhole thinking helps us to find our way in everyday life and to process information. Categorization is necessary for us as it helps to structure thoughts. However, "it can make us mistakenly group things, or people, or countries that are actually very different" (Rosling et al., 2020). There are also many categorizations regarding cultures: Canadians are particularly friendly, and Germans are always punctual. Maybe this is not even wrong, but the values and characteristics attributed to individual countries and cultures are often highly generalized, as they refer to the average of a country's population group. However, because a population

is anything but homogeneous, stereotypes often do not apply to many groups and individuals in a country (Rosling et al., 2020). There are individual, regional, and ethnic differences within countries that are masked when trying to find country-specific patterns (Moss Kanter & Corn, 1994). An exemplary look at the evaluation of my Cultural Map by Meyer makes this clear. In some tested areas, such as task-based trusting, confrontation in case of disagreement, and fixed scheduling, I correspond pretty much exactly to the average German. In other areas, such as leading style, I deviate far from it. And this is despite my upbringing in Germany as the daughter of two German parents. In addition to the fact that national cultures are constantly changing and mixing, for example due to immigration and globalization, global leaders are also consciously or unconsciously shaped by international cooperation and other nations' values. Working in international teams and exchanges in America, France, and Canada during my studies influenced me and enriched my "German" values with new input.

What I would like to say, in essence, is that certain pigeonholing is not bad and even necessary. Nevertheless, we must not be tempted to draw the wrong conclusions on it and label all people of a culture as the same. A study by Moss Kanter & Corn (1994) also found that cultural differences between people are much more apparent to us in the early stages of a relationship than at later times when we have come to know people more holistically. This supports my belief that stereotypes can stand as an indication of a person's character traits but can never be taken as a settled fact.

<u>Three Essential Interpersonal Skills a Global Leader Should Develop</u>

But, if we can't rely on our stereotypes, what can we rely on? There is a lot of theory, complicated words, and pages of explanations about essential characteristics of global leaders. In this article, I would like to break the topic down to three skills that were mentioned to me in my interviews as essential by at least two of the three interviewees. Instead of just naming them, I would also like to provide young leaders with tools that can support the development of these skills when working in a global context.

1. Curiosity

Specially to start a new cross-cultural relationship, it is important to show interest and curiosity about the person, their values, interests, and culture. In doing so, it is legitimate to note that you have missing knowledge and to ask questions to fill knowledge gaps. One of my interviewees, who had just moved to Singapore as an expatriate, told me the following: "I take time to learn about the team and Chinese culture. For example, I've asked my team to teach me a new Chinese phrase every week."

By taking a genuine interest and getting to know people from different cultural backgrounds, we can combat our stereotypes. By gaining knowledge about new cultures and forming relationships with diverse people, we expand our knowledge of other cultures' values, ideologies, work practices, and behavioral styles, can learn from them, and can adapt our behavior to new circumstances. According to the Knowing - Doing - Being - Model, only if we have global knowledge we can start to act globally and develop into global leaders.

One interviewee told me about a game she once played in a workshop on cultural differences. The participants were split into two groups and explained the rules of a card game. It was also mentioned that the winning person of each team would switch teams in the next round. My interviewee won the first round and confidently went to play in her new team. However, to her surprise, she did terribly in the second game, although she did not change anything in her play. It turned out that the rules of this team were different, and this caused her to lose the game. The moral of her story is that whenever you change your (work) environment, you need to learn new rules. Just knowing your rules, your way of doing business, and your values might not help you in the new environment.

2. Trust

One interviewee argued that trust is one of the core competencies a global leader must have because it reduces complexity. He said, "I need to trust my employees to work on a project or task successfully. The higher the level of trust and empowerment, the lower the complexity. And if I don't have any trust in them, then we have done something wrong when hiring." The concept behind this idea is interesting. When starting to work with a new, cross-cultural team like the expatriate interviewee, for example, I might not always have time to get to know team members in depth before working together. To succeed anyways, I need to trust my team as long as I have no reason not to.

Imagine an empowerment model with five different levels of empowerment. As a global leader, you let your new employees start at level 3 with a certain degree of freedom and a certain degree of supervision. Over time, you see how each employee develops. Depending on their performance, they rise or sink in empowerment level. A lower-performing employee requires more supervision with more briefings, reviews, and follow-ups. In addition, it might be necessary to advance the deadlines to ensure time for a final review. In contrast, a high-performing employee needs fewer briefings and lesser reviews and follow-ups. The degree of freedom for those employees can be increased, and they move up to level 4. Thereby, the degree of supervision automatically reduces and, hence, reduces the complexity of getting the task done. Employees that reach empowerment level 5 can actively be included in the strategy and thereby develop essential skills to become leaders themselves.

3. Communication

Mindful communication is key when engaging in cross-cultural contexts with various stakeholders. Thereby it is not only important what is being said but also timing, style, and rhetoric. People communicate very differently throughout different nations and cultures. The Culture Map by Meyer, again, can help as a first indicator to identify differences. While some countries, like Germany, are considered to have a straightforward communication style, with low-context communication in which direct (negative) feedback and open disagreement is common, this type of communication is not considered appropriate in other parts of the world. Countries like China rely on high-context communication where it is important to read "between the lines" and where understanding a person's non-verbal communication is even more critical. In such a culture, negative feedback is given indirectly, if at all, and confrontations are avoided (Meyer, 2017).

However, as we have discussed, global managers might also face situations where they communicate with people with different cultural backgrounds and different communication styles at the same time. This increases the complexity of communication and the risk of misunderstanding. One specific piece of advice that one of the interviewees gave me in this regard was to strongly orient communication in culturally diverse groups to the company's values and to adapt the communication style to the respective participant and their cultural communication style in individual, smaller meetings. The advantages of this adaptation are that in larger meetings, it increases the chance of picking up every participant and minimizing misunderstandings. In one-on-one meetings, adapting to culturally determined communication differences ensures that the respective employee feels heard and understood.

Nevertheless, the study on contextual factors affecting cross-cultural relationship success found that language and difficulties in communication were one of the most significant issues. Working in a global environment often means speaking languages other than the mother tongue at work (Job Analysis Approach: What do global leaders do? (p. 96).

Gloria: "Do you know how smart I am in Spanish?" – Gloria (Modern Family)

Expressing yourself in another language is often more challenging and can lead to employees being unable to express precisely what they mean. In culturally diverse teams, it is essential to remember this and allow team members sufficient time to formulate and express their ideas and thoughts. Underestimating employees because of language barriers can be a fatal mistake, as innovative, diverse ideas can be lost. But it is these ideas that can often make a difference in business success.

Curiosity, trust, and good communication are three skills that every global leader should possess. They help to bridge cultural differences, promote exchange and thus the knowledge of those involved. Through this exchange, successful relationships with employees and other stakeholders can be established and hence contribute to the company's success. This article does not necessarily cover all the required interpersonal skills, but it highlights three important ones.

References

Beechler, S., Søndergaard, M., Miller, E. L., & Bird, A. (2017). Boundary spanning. *The Blackwell Handbook of Global Management*, 121-133.

Ghoshal, S., & Westney, E. (2005). Introduction and overview of the second edition. *Organization theory and the multinational corporation*, *2*, 1-19.

Mendenhall, M. E., Osland, J., Bird, A., Oddou, G. R., Stevens, M. J., Maznevski, M., & Stahl, G. K. (Eds.). (2017). *Global leadership: Research, practice, and development*. Routledge.

Mendenhall, M. E., Reiche, B. S., Bird, A., & Osland, J. S. (2012). Defining the "global" in global leadership. *Journal of World Business*, *47*(4), 493-503.

Modern Family (2014). Stories from the Stage. Season 6, Episode 7.

Moss Kanter, R., & Ian Corn, R. (1994). Do Cultural Differences Make a Business Difference? Contextual FactorsAffecting Cross-cultural Relationship Success. *Journal of Management Development*, *13*(2), 5-23.

Rosen, R. H., Digh, P., Phillips, C., & Singer, M. (2000). *Global literacies: Lessons on business leadership and national cultures*. Simon and Schuster.

Rosling, H., Rosling, O., & Rosling Rönnlund, A. (2023). *Factfulness*. Flammarion.

Meyer, E. (2017). *The Culture Map: The Future of Management. [video] Retrieved from https://www. erinmeyer.com/speaking*.