

Are you a global leader?

Are today's executives as global in their leadership as the business world is in which they operate?

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More than half of companies' revenues and profits today come from foreign operations. At the same time, high-growth countries such as China, India and Brazil are changing the global economy in important ways.

Navigating the complexities of running a border-spanning business is not the natural calling of every leader. IESE professors highlight the global leader's responsibilities, what it takes to make the grade and how management training can help to create a talent pool in line with today's needs.

The job description

The term "global" is often used loosely. "It is such a broad term, that unless it is carefully defined, people may understand very different things," says [Sebastian Reiche](#).

Writing in the *Journal of World Business*, he explains that, rather than merely referring to executives in a job that has some international scope, global managers are those who encounter more diversity, more boundary-spanning activities, more stakeholders, greater competitive pressures and volatility, increased complexity and ambiguity, and a greater need for behavioral flexibility and integration.

The responsibilities of global leaders are varied and complex. "It is the way that additional complexity, uncertainty, diversity and heterogeneity enter into the decision-making process that makes global leadership different," adds IESE Dean [Jordi Canals](#) in the book [*Leadership Development in a Global World: The Role of Companies and Business Schools*](#).

Different forms of international assignments — from frequent, short trips abroad to three- to five-year postings or permanent relocations — also bring variations to global leadership requirements.

To better understand this variability, Reiche and his coauthors propose three dimensions to identify whose job fits into the category of global leader: contextual, relational and spatial-temporal.

In the first dimension, they find that dealing with complexity is the most challenging business variable in a global context. The second dimension encompasses border-spanning functions and regulating information flows through multiple channels. The final dimension relates to the physical presence requirements and greater mobility associated with global leadership, giving rise to a set of emotional, interpersonal and social challenges, as well as unpredictability and ambiguity.

The cultural component

To this mix, [Carlos Sánchez-Runde](#) adds cultural sensitivity — the ability to adapt leadership styles to fit local circumstances.

In the article, "Looking Beyond Western Leadership Models: Implications for Global Managers," Sánchez-Runde and his coauthors compare Eastern and Western approaches to round out the profile of a global leader.

In calling for local sensitivity, they point out that this does not mean simply imitating the local culture, which can be just as much a mistake as imposing your own culturally conditioned way of doing things on others.

Instead, executives should make the most of their own leadership strengths, while also respecting local customs and practices. These are issues that Sánchez-Runde explores further in the Short Focused Program "Managing People Across Cultures."

Bridging global and local

Striking the right balance between local and global requires a certain breed of "rooted cosmopolitan" leader, says [Pankaj Ghemawat](#). This is the sort of profile of those who typically participate in the Global CEO Program.

Leaders adept at negotiating the cultural divide are what [Yih-teen Lee](#) calls "[marginalized](#)

[biculturals](#)." This refers to people who have lived in more than one culture but don't identify strongly with any of them.

Some might argue that this lack of a strong affiliation or identify could make these people more socially awkward, and hence unfit for leadership. However, Lee's research contends they make better global leaders, given the very fact that they have this necessary ability to understand and interact as cultural insiders while simultaneously feeling like outsiders.

This also makes them particularly adept at handling diversity, more tolerant of uncertainty, less likely to suffer from identity conflicts and more open to new ideas.

Born or made?

Though it helps if you've grown up bicultural, "global managers are made, not born," insists Percy Barnevik, the former Swedish CEO of Swiss-based ABB.

Most executives will need to pursue development opportunities to keep up with rapidly evolving trends — big data, consumer trends, risk management and economic uncertainty — that are fast changing what it means to be a global leader today.

Find out more about the global leadership development opportunities available from [IESE Executive Education](#), which offers a wide portfolio of open and customized executive programs delivered in Barcelona, Madrid, New York and many other global locations.

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