Bridging the global leadership gap

Developing leaders with the capabilities to navigate the complex challenges of globalization has become an urgent issue for business schools and corporations alike.

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Globalization is changing the corporate context and the corporate imperative. This has given rise to new and complex challenges for business leaders.

In *Leadership Development in a Global World: The Role of Companies and Business Schools*, IESE Dean Jordi Canals, along with deans and professors from other top business schools around the world, outlines ways to bring leadership development up to speed with the demands of this new era.

No longer business as usual

If the 20th century was "the American Century," then the 21st will be "the Global Century," marked by the increasing influence of high-growth economies such as China, India and Brazil, says Nitin Nohria, the dean of Harvard Business School.

New growth markets like these urgently need to develop their local talent with a global mind-set. Moreover, they need to develop global leaders who are capable of managing across cultures and complex and uncertain environments, adds Canals.

The global leader

How can we understand the greater scope of a global leader's responsibilities and the competencies required to carry these responsibilities out successfully?

According to IESE Prof. Pankaj Ghemawat, it is first necessary to grasp the real state of the

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world today: It is semi-globalized, neither borderless nor encumbered by national frontiers like yesteryear. As such, an effective business leader must understand both global forces and local contexts.

While a leader's role is to provide meaning for the people working in a firm and to shape the direction of an organization, doing so in a global context brings an added twist.

"It is the way that additional complexity, uncertainty, diversity and heterogeneity enter into the decision-making process that makes global leadership different," says Canals.

Global leaders are called to influence the thinking, attitudes and behavior of a global community, and work together toward a common goal and vision, explains IESE Prof. Yih-teen Lee.

A global leader is someone with the ability to seize different kinds of opportunities and understand the global forces creating them, says Nohria, who highlights efficiency, local responsiveness and innovation as the keys to value creation.

Nohria cites Tata Motors, Samsung and the Chinese automaker BYD as examples of companies with an ability to harness these forces and maneuver successfully in this new context.

One step beyond

To develop managers to work in an international context, it is important to make sure that the learning process involves an immersion in such environments, says IESE's Pedro Nueno.

Former INSEAD Dean Dipak Jain, writing with Matt Golosinski, believes business schools need to surpass conventional expectations in order to shape the next generation of global leaders.

Instead of traditional Western concepts of curriculum and success, they underscore the importance of entrepreneurialism and new value models that reflect a desire to make a wise social impact.

IESE Prof. Marta Elvira, writing with Anabella Davila, encourages similar thinking to produce sustainable leaders: "As more companies begin to 'look closer to see farther,' they realize that true success belongs to those capable of combining market objectives with long-term, humanistic leadership development."

Elvira points to Nestlé and Infosys as examples of companies offering global leadership

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programs with long-term views of building a talent pipeline.

Darden Dean Robert F. Bruner, writing with Robert M. Conroy and Scott A. Snell, proposes enlarging the scope of development aspirations to meet new needs. From mere knowledge ("know what"), development programs should include skills ("know how") as well as attributes ("know why").

The introduction of the cultural variable is also essential, add IESE Prof. Carlos Sánchez-Runde, Carleton University's Luciara Nardon and Richard M. Steers, of Lundquist College of Business.

Asia, in particular, represents a new distribution of consumer power, say Randall Morck of the University of Alberta and Bernard Yeung, dean of the National University of Singapore. While the United States and eurozone economies struggle to recover, increasingly affluent Asian consumers and corporations are poised to change the global landscape in important ways.

Making headway

"The world of management education is not broken by any means," says Yale School of Management Dean Edward A. Snyder. "Though one cannot teach complexity, we should strive to prepare our graduates well to lead effectively in a world that features more complexity within and across societies."

Certain business schools are already implementing new programs that are moving in this direction.

For example, IESE incorporates the CAGE (Cultural, Administrative, Geographic and Economic) framework, along with globalization-related coursework such as GLOBE, into the core curriculum of its MBA and leadership development programs. The AACSB has offered to distribute materials developed for the GLOBE course to its associated schools.

Harvard's Field Immersion Experience for Leadership Development aims to develop the global leadership capacity of MBA students by giving them a firsthand experience of working on a field project in emerging markets.

Bridging the gap

As Narayana Murthy, founder and chairman of Infosys, notes on the book's cover, "Leadership development is critical to any corporation's success."

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This book is a start in bridging the gap between the current state of leadership and the future demands of the globalized business context.

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