

The cookie-cutter approach to global strategy is doomed to fail without developing new perspectives and behaviors among those working in the global environment.



CHESS MOVES



Using Global Leadership Development to Facilitate More Effective Business Strategies

By Peter Bailey

When companies “go global,” they often make the mistake of implanting one system or policy into another culture or country. When they do, there’s a huge gap between mindsets that directly affects whether or not the global initiative will ever be successful.



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For example

- A rapidly growing U.S.-based, global manufacturer purchased a company in China, where it wanted to duplicate its operations. Its key obstacle was that the senior leadership team, consisting of 11 American and Chinese members, experienced major communications discord that could have cost them \$30 million over three years.
- A U.K.-based financial services company decided to relocate a young female manager, who had never been to Asia, to Singapore to shut down the Hong Kong office. She would have dotted-line reporting responsibilities to both the U.K. home office and the Singapore office's Indian director. Everyone she would come across held to a highly relational and highly hierarchical perspective. What started as a good career move ended in failure.
- Another U.S. company sent a highly successful American sales manager to run its Rio de Janeiro office. He eliminated all the desks in the sales office so that everyone was on the street selling. Relationships broke down quickly because it was important for the Brazilian sales team to connect with one another, solve sales problems, and enjoy camaraderie. The new American manager returned the desks but had already lost credibility.

Many new-to-global companies fail to ask key questions that could improve their outcomes considerably:

- What is really going on in this cross-cultural situation?
- What are the international business ramifications?
- How can our people and teams develop better global perspectives and improve their globally compatible behaviors?

Mind the gap

As a train approaches the platform of London's metro "Tube" system, a syrupy recorded voice reminds waiting passengers to "mind the gap." This is a security warning to watch for the gap between the platform and the arriving train. The same can be true of employees with global differences: There are multiple gaps in knowledge and behavior that can put a company at risk of losing its valuable people and compromise its international investment.

Leveraging is not about using a "cultural fulcrum" or a prying point in a negative way to get the desired effect, but in knowing what is important to a person and focusing on those areas for positive outcome.

One framework for filling these gaps is a four-step process that moves first from global awareness to global acceptance, and then to global action and global leadership. (See sidebar "Climbing the Global Ambassador Proficiency Ladder.") The idea is to see how rapidly employees can move up to the "ambassador" level by elevating their skills through cultural exposure, experience, and specific behavioral modifications.

Key global models, such as the cultural dimensions identified by Edward and Mildred Hall, Geert Hofstede, and Fons Trompenaar, are critical pieces of the puzzle. However, they are only useful tools in the hands of people who are able to put the pieces of the puzzle together. Only then can people become more sensitive to their global partners.

The steps on the global ambassador

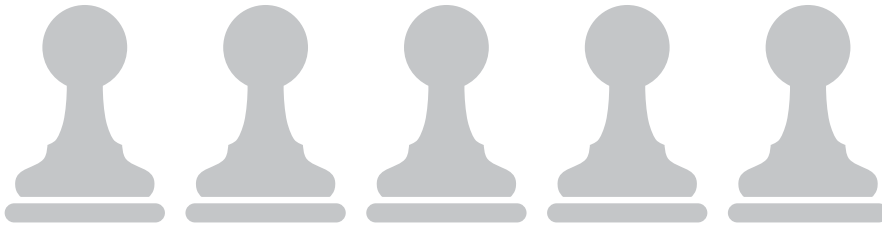
proficiency (GAP) ladder can be demonstrated based on an important first question in any international business strategy with a person from a company of a different culture: "How would you like this meeting to go?"

Unfortunately, people below the "global awareness" level might not *think to ask this question* prior to an international meeting or conference call. Although there is a realization of differences between cultures, such as food, language, and customs, the gap here is one of simply "tolerating" differences, without changing behavior. In this case, the business meeting may end the relationship before it begins.

For example, while Americans may intend for a meeting to go well with new Japanese customers, their use of first names and friendly banter may be contrary to the more formal, deference-showing culture of Japan and of the hierarchical individuals with whom they were meeting.

Those who go beyond tolerance and change their behavior *prior to or during the meeting* are at the "global acceptance" level. They understand not only that there are differences in doing business in Japan but, more importantly, there are ramifications. For example, based on a more globally educated perspective, they would show greater sensitivity to a person's title and rank; use basic Japanese language to indicate their interest, respect, and effort to learn Japanese culture; and practice the appropriate two-handed exchange of business cards with bowing. The cultural gap here is significantly narrowed.

For one to achieve the "global leadership" level requires a deeper mindset drawing from multiple points of view, which means that they have had to change their behaviors *at the strategic level*, to think through the first meeting for the present as well as long-term considerations for future mutual success.



People who want to attain the “global leadership” level must have the experience to know that personnel issues involve more than simply moving “pawns” on a chess board, and require the creation of well-thought-out solutions.

People who want to attain the “global leadership” level must have the experience to know that personnel issues involve more than simply moving “pawns” on a chess board, and require the creation of well-thought-out solutions. For example, a well-known Fortune 500 food manufacturer chose to head up its India operations with a man who is culturally Indian by heritage and who was educated in the United Kingdom, but never lived in India.

Despite impressive corporate credentials, he did not have the language, cultural connections, relationship network, or respect of the Indian office. Ripples of discontent and mistrust circulated through the company. Such a selection for key leadership positions happens all the time, with frequently disastrous results.

Global framework supports proactive leadership

The global leader looks ahead like a chess master to study possible moves in response to an opponent’s moves, while also thinking ahead about proactive strategies that will win the game. A simple acronym can remind us of critical global action steps we can take to reach higher GAP levels: G.L.O.B.A.L. This framework has six key concepts:

greetings, listening, openness, building solutions, acceptance, and leveraging actions for mutual gain.

Greetings. This refers to the actual entry phase when people of different cultures meet. It is critical to convey interest in people of other cultures and their way of doing business. The best way is to conduct oneself with the level of propriety that’s recognized in those cultures. It goes beyond “hello” in another language, to first impression through language, dress, manners, and anticipation of how to positively connect with someone from another culture. There’s only one chance to make a good first impression.

Listening. Listening promotes understanding of all points of view; it becomes more important than talking. Each side of a negotiation may have clear positions, but underneath are multiple hidden interests for both sides. These interests are much more important than positions. Often, the shared interests for both parties are similar and can be an important starting point for mutual understanding.

Questions to ask oneself include: “What parts of what others are saying either align or conflict with my own values? How can I understand values from their point of view and

6 Steps for Impeccable Global Negotiations (G.L.O.B.A.L.)

Greet with a generous spirit.

- How can I demonstrate my positive intent?
- How can I best connect with this person?

Listen to understand all points of view.

- What parts of what they are saying align with my values?
- What parts of what they are saying are in conflict with my values?
- How can I understand the values in conflict with my own from their point of view?
- How can I inform them of my values from my point of view?
- Open oneself to possibility.
- Knowing what I know now, what potential do I hold for us to work to a mutual understanding?
- What can I do to become more open to possibility?

Build a solution from multiple perspectives and values.

- What steps can we take together to bring us closer to our mutual benefit?
- Have we taken multiple perspectives into consideration?
- What is the highest good we both can accomplish together?
- Acceptance is the key.
- Have I accepted the process and the results as being exactly as they are supposed to be?
- What aspects are still difficult for me to accept and why?

Leverage actions for mutual benefit.

- What can we do so we both “win?”
- How can I ensure that my counterpart is benefited by the results of our actions?

Source: Prouty Project 2010, Minneapolis, Minnesota

Climbing the Global Ambassador Proficiency Ladder



Step 1: Do's and Taboos—This is the foundation of multicultural awareness that focuses on the visible differences in attitudes, behaviors, and physical tangibles, such as food, dress, and punctuality. This level is readily apparent in the distinctions made in useful cultural guidebooks. They may describe what not to do (but not why one shouldn't) or where the particular behavior came from.

Step 2: Global Acceptance—This level requires an increased sensitivity toward the derivation of fundamental differences. However, there is still an expectation on acculturation of international colleagues to adapt to U.S.-centric models, work systems, and paradigms and vice-versa.

Step 3: Global Action—At this stage of cultural proficiency there is a deeper appreciation of how cultural differences impact the business as well as the individual lives of multicultural colleagues. People at this level have a better grasp on how the history, geography, and politics of a particular culture shapes the business mindset. They will use this knowledge and experience to build more effective global teams, establish better international partnerships, and have more success working across the cultural boundaries and time zones.

Step 4: Global Leadership—At this level of cultural proficiency, the organization's leaders value and capitalize on diverse global viewpoints and approaches within their organization. These leaders leverage multicultural resources worldwide when building strategy, launching initiatives, and measuring performance. They bring an overarching appreciation as well as a deep experience base for the care that is required at every stage of multicultural relationship-building.

Source: Prouty Project 2010, Minneapolis, Minnesota

communicate my own in a way that will be understood by them?"

Skills to practice include listening deeply for not only what is said, but also what is not said. It is often helpful to acknowledge and re-state a conversation, and then ask clarifying questions in indirect ways to begin to uncover the hidden interests.

For example, an IT executive, working at his company's Mumbai-based operations, found more information hidden in what was not said around management hiring choices on his Indian leadership team. When a less than desirable candidate was mentioned, people would remain silent; with a more favorable candidate, there was murmuring and head nods.

Opening. Opening oneself to possibilities takes flexibility and patience. Beyond business objectives, there are other skills to develop where character and integrity are demonstrated, which allows global partners to relax their "cultural shoulders" and be more open to doing business with someone new.

Western ways of thinking often involve short-term gain. But Asian, Latin American, and Eastern European cultures are generally more willing to take the time to build relationships. A good guideline is to move slowly at the beginning to move more quickly later on.

For example, a sales rep who plans a 10-day business trip to see customers in Mexico with the objective of gaining six signed contracts may need

to be open to the possibility that none will be signed. If handled correctly by focusing on building relationships, rather than "closing the deal," this first trip could establish the sales rep as a trustworthy partner for many years of business.

Building. To build a solution from multiple perspectives and values requires an open dialogue to share information over time. Forcing only one side's perspective will be met with resistance, and systems will lock down, like trying to force open an oyster. If you want to see the "pearl" in your international business relationships, it will require patience, deft moves, and an appreciation of the "world of oysters." Just remember to build time and

numerous overseas trips or conversations into the budget.

Global ambassadors will call upon their experience and skills to think through the following “building” questions:

- What steps can we take together?
- How can we get closer to our mutual benefit?
- Have we taken multiple perspectives into consideration?
- What is the highest good we both can accomplish together?

Acceptance. Acceptance requires having a different mindset beyond “tolerance,” as in, taking the high road. For example, in many international meetings, there may be the distracting chatter of simultaneous interpretation happening in a corner of the room. To some, this can be very annoying. Acceptance helps one to realize that it provides better understanding to other people at the table. Once the “interference” is accepted, it becomes a part of the experience. And when a person chooses acceptance, it creates more openness to a mutually beneficial solution.

For example, a new manager of training and development in Indonesia tried to make wholesale changes within the company but was met with increasing levels of resistance. Upon realizing that he was “paddling upstream,” he learned to accept the existing Indonesian systems and enacted small changes slowly before attempting larger changes.

Leverage. Leveraging action for mutual benefit is the ultimate goal of leaders who want to successfully conduct global strategies. Once the first five steps have been taken, it’s time to leverage the learning within the organization.

Leveraging actions is about aligning people around core values, organizational direction, and cultural interests held by all stakeholders.

Leveraging is not about using a “cultural fulcrum” or a prying point in a negative way to get the desired effect, but in knowing what is important to a person and focusing on those areas for positive outcome.

One manufacturing group outside of Shanghai, China, struggled with the American management team whose technical advisors visited every month to direct factory development based on U.S. specifications and systems. The Chinese team would follow the new procedures while the U.S. advisors were on site. However, once the advisors flew home, things would return to the “old” Chinese ways. It took a senior executive with sophisticated global skills to realize that the business was not getting ahead.

The new approach involved hiring a Chinese technical advisor to work with the American advisors and determine the best way to work together for the overall success of the company, as well as the harmony of the people involved.

In terms of global facilitation when training or presenting leadership content in a cross-cultural environment, it requires one to develop global ambassador proficiency above and beyond the level of people in the room. By practicing the G.L.O.B.A.L steps, one can serve the true Latin root of the word “facilitate” and make things “facile” (or easy) for international participants.

A wise person once said, “We teach the way we are taught.” Here is the chance to model global ambassador proficiency well by modeling it in front of others. Only then can these opening “chess moves” facilitate more effective business strategies.

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