

# Successful Global Leadership



Ramon Henson

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Frameworks for Cross-Cultural Managers and  
Organizations

palgrave  
macmillan

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ISBN 978-1-137-58989-7      ISBN 978-1-137-58990-3 (eBook)  
DOI 10.1057/978-1-137-58990-3

Library of Congress Control Number: 2016940987

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Printed on acid-free paper

This Palgrave Macmillan imprint is published by Springer Nature  
The registered company is Nature America Inc. New York

## PREFACE

Two beliefs that managers with limited global experience sometimes express are the following:

Managing people is not that different in different countries, because underneath we are all the same.

Managers everywhere should learn how we do things here because we have the best management techniques. Besides, if you are working for an American company, you have to follow its management practices.

These misguided beliefs and assumptions about what it means to manage and lead in today's global business environment are among several stumbling blocks for those in global leadership roles. I suspect that more will disagree with the second statement than the first, regardless of whatever nation a company's origin happens to be. Just because a company's home base is American (or Swedish, Dutch, or Chinese) does not mean that the management practices in its home country should be followed in the countries where these corporations have subsidiaries.

During a meeting with a group of Japanese managers in Tokyo, when I was working for a subsidiary of a U.S.-based company, I was introducing the concept of goal-setting in the context of performance management. The focus on individual goals seemed alien to these managers. In explaining the Western management practice of performance management to the Japanese managers, I pointed to the importance of accountability when evaluating performance. My translator turned to me, somewhat perplexed, remarking to me that she did not think there was a Japanese translation

for the word “accountability.” I then had to describe the concept without actually using the word, although eventually, like many other English words for which there is no direct translation (e.g., the Japanese word for baseball is *besuboru*), the Japanese word for accountability became *akauntabiriti*.

IKEA is a Swedish company that had tried for a long time to impose its Swedish management practices throughout all its subsidiaries. It found that it had to adjust and in some cases delay implementing some of its practices because of a lack of cultural fit (Daft 2008). And there are many other examples of adjustments corporations have had to make to adapt its practices when doing business across borders (e.g., Ricks 2006).

Most of us are aware that no nation owns a monopoly on the best management techniques. In the 1970s, when I was working for Citibank, my department was responsible for introducing quality circles, and for a while we were quite successful in rolling out this concept to many retail branches and back-office operations. It was exciting to watch tellers and back-office support people who had never been asked for their opinions participate in teams and make presentations to branch management, who actually listened to what they had to say. For many of them, this was the first time they had even seen a member of management visiting the local branch. The quality circle concept actually came from the Japanese (Munchus 1983). In 1950, the Japanese government invited W. Edwards Deming to lecture on statistical methods and quality control. Along with Joseph Juran, Deming was so influential with the Japanese that they established the Deming Prize to award quality achievements (Hutchins 1985).

This book is for managers around the world who are interested in learning about global leadership based on current research and practice and in developing their ability to work effectively across cultures. Whether you are an American, a Mexican, an Italian, or a Thai, my hope is that there will be some learning, a number of insights, as well as helpful strategies and advice in this book that will help you to become a successful global leader. This book is also intended for human resources leaders and other executives interested in helping to create a global mindset culture in their organizations. Finally, this book is intended for researchers who may get additional ideas for investigating relevant topics based on the concepts, examples and practices discussed here.

Part of this book is based on the author’s own personal experiences, coming from the Philippines over 30 years ago as a graduate student and arriving in the USA for the first time. As a graduate student, I was fortu-

nate to meet a tremendously diverse group of students and faculty from many different countries at the University of Michigan. While there, I became involved with General Motors' efforts to put into practice the writings of one of my professors, Rensis Likert, who at that time had just written an influential book called *New Patterns of Management* (Likert 1967). Those were interesting times, especially since GM had such a large market share then and believed it would dominate the industry in a few years' time.

I have also been fortunate in having worked for several companies that assigned me to work on important projects overseas, in a few cases helping to open new markets or expand into existing markets. I have learned a great deal from colleagues and clients in these different countries.

Over the past few years, I have been teaching MBA courses both in the USA and overseas, as well as continuing my consulting work. I owe my students and clients a tremendous debt for all the insights I have gained from their observations and our discussions. Many of the cases and examples in this book come from these sources; the names and affiliations have been changed to respect confidentiality, but they are based on actual incidents and events. In this book, I have also made an attempt to integrate the most relevant and current research on global leadership, and I owe much to the impressive body of work from the leading scholars of the field. In the past several decades, our knowledge of global leadership has accelerated greatly, thanks to these researchers.

This book is organized in three broad sections. In the first (Chaps. 1–3), I review the context of global leadership by discussing the rise of the global manager and highlighting selected global trends impacting the practice of global leadership. In the second (Chaps. 4–6), I cover selected cultural frameworks, a proposed model of global leadership, and the importance of global mindset. In the third (Chaps. 7–9), I discuss the implications for individuals and organizations, and make some recommendations for improving our future understanding of global leadership and its practice.

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## ACKNOWLEDGMENTS

This book is the result of years of thinking, doing, and collaborating with many colleagues, executives, and students. From my undergraduate and graduate years, I would like to acknowledge the intellectual debt I owe to several of my professors: Aurelio Cálderon, Charles Cannell, Basil Georgopoulos, Robert Kahn, Edward Lawler, Rensis Likert, Stanley Seashore, J. E. Keith Smith, and Bernardo Villegas. From my corporate and consulting experience, I have learned much from, and have had great conversations, support and partnerships with the following: Roger Allen, Jaime Angueira, Patricia Barlow, Salmah Basri, Michael Beer, Henry Brenner, Jean Casner, Ron Chan, Emmanuel Charron, Gary Cohen, Kitty Cymore, Deb Dagit, Phyllis Davis, Edana Desatnick, Monica Diaz, Penny Dobson, Rojali Edris, Alison Eyring, Forrest Fryer, JP Gagnon, Jay Galbraith, Peter Garrucho, Yosinori Goto, Próspero Hernandez, John Hinrichs, Claire Hofer, Susan Kropf, Hiroko Kuriyama, Farrokh Langdana, Paul Lee, Mei Ling Lo, Paul Madsen, Paul Markovits, Spencer McMurray, Antonio Mendez, Enrico Midali, Bill Mobley, Chris Moore, Alfonso Mostacero, David Nadler, Joel Ospa, James Preston, Bill Pyle, Maria Ramos, Steve Rhinesmith, David Rodriguez, Hal Rush, Marshall Sashkin, Russ Shaner, David Sirota, George Szybillo, Motomi Takayama, Dorothy Tao, Anne Tidball, Masato Taniguchi, Roosevelt Thomas, Luís Torres, Jim Walker, Grey Warner, and Helen Zhang.

Thanks to my editor Stacy Noto for her faith in this book, and to my students at Rutgers Business School (New Jersey, Shanghai, and Singapore) for their patience with my passion on this topic. Thanks also to those students who contributed to the interviews, especially Commander James

Crate, Kristin Couch, Giselle Montero, Kavita Ramachandran, and Jon Roberts. And thanks most of all to my family—Phil, Emma, and Greg. A special thanks to my wife Sandra, an Industrial-Organizational psychologist herself, who provided me with great ideas, insights, critiques, and support all throughout this journey.

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