

# The interculturally competent global leader management essay



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Globalization has become an economic preponderant factor for the last 30 years. This phenomenon has interconnected economically speaking different countries, different firms and people together. In this globalized context, global leaders have to cross the border of different countries, such as France, Germany, India or China. Because of this phenomenon, leaders are continuously facing different cultures, norms, values and behaviors. That is why leaders have to get intercultural competencies to manage diversity and intercultural teams.

To illustrate this reality, let's take the example of IBM. IBM (International Business Machines) is a well-known firm in the informatics sector. It produces computer software, computer hardware and proposes hosting and consulting services in sectors ranging from mainframe computers to nanotechnology. This firm is a multinational corporation (MNC), because it is present in more than one country and has spread his supply chain all around the world. An IBM-manager has to work with people from the whole world, which are also IBMers, but who do not have the same culture. If they have to develop a software for example, they have to take care that it correspond to the expectations of German people, but also to Russian people, who do absolutely not have the same expectations. That is obviously globalization. Without any intercultural competence, a leader cannot lead an international team. In this part we will see why intercultural competencies are so important to become a global leader.

First over all we need to underline that the capacity to manage diversity is one factor that distinguishes a leader from a manager. It is sizeable to make the difference between managers and leaders. The American professor of <https://assignbuster.com/the-interculturally-competent-global-leader-management-essay/>

the Harvard Business School, Abraham ZALEZNIK, which is specialized in the domain of leadership, focus on these differences between managers and leaders in his article “ Managers and Leaders: Are they different?” published in the Harvard Business Review.

On the one side we have the manager, who has an impersonal and passive outlook of the situation or the job. He tries to avoid risks, to involve emotionally speaking himself the less he can. He is focused on the process and the organization and he is not clear when he communicate with his team.

On the other side we have the leader, who has an active and personal outlook of the situation. He develops new solution to problems and takes responsibilities and risks if he has a business opportunity. He is also emotional involved and works with passion. He works in collaboration and feels separated from the organization, but he manages, articulates and mobilizes people to reach their goal. He is the figure head of the team, which show the direction.

Secondly, in today’s globalized context, managing diversity could arrive to each global leader, as soon as he encounters diversity through different ways of thinking, behaving or valuing. That is why a leader has to be an “ effective intercultural communicator”.

Effective intercultural communication or “ cross-cultural communication” is the ability to understand and to dialogue with other people from another culture.

Cross-cultural communication has become the new norm that leaders have to be aware of. To communicate effectively, they have to develop four major competencies:

#### Understanding cultural differences and diversity

Leaders have to understand diversity to optimize communication. They must also master the basics of a culture, which is the key to effective cross-cultural communication.

#### Developing awareness of the individuality of the culture

Leaders must be aware of individual culture and understand that there is not just one single and good culture.

#### Developing tolerance

Leaders must be tolerant with other people and other culture. They must accept them how they are.

#### Communicate simply

People can speak the same language, but they are not all native speakers. That is why leaders must communicate in a simple way, so that other people can understand him easily and avoid misunderstanding.

Thirdly, intercultural competencies are important to become a global leader, because culture and understanding culture have a deep impact on the economic success. Thomas FRIEDMAN, for whom "culture matters when it

comes to economic success" underlined on one side in his book *The World is flat*, the concept of "Glocalization".

Friedman define the concept of Glocalization as "the ability of a culture, when it encounters other strong cultures, to absorb influences that naturally fit into and can enrich that culture, to resist those things that are truly alien and to compartmentalize those things that, while different, can nevertheless be enjoyed and celebrated as different".

He gives the example of a culture, which is based on tolerance and acceptance of other cultures. This culture will allow creating positive factors for economic success (trust, innovation, entrepreneurship...). Leaders have obviously to adapt themselves to this concept of "glocalization".

On the other side, HOFSTEDE shows that even if leaders or employees can adapt to different cultures, their native cultural background will not disappear but prevail.

Indeed, HOFSTEDE points out a preponderant fact, which shows that the native culture will not disappear but prevail. The native cultural background will continuously interfere even if the person tries to adapt to a different culture.

That could be illustrated by the example of a Frenchman, who goes to Japan to do business. He will try adapting to the local hierarchical culture to do business. But his native cultural background will not necessarily permits to understand and adapt himself really to the situation.

HALL obviously underlines that culture will have an impact of “ the meaning to live and what motivates people”. He provides way to understand on what leaders should give importance to manage different culture.

To illustrate “ the meaning to live and what motivates people” according to HALL, we could take the example of two people. The first one works to earn money. His goal is to earn the highest amount of money he can, even if he has to work 50 hours a week. He knows that he can buy a big house or a car with a big salary. Whereas the second worker, gives more importance to personal developing and pleasure. He will not work 50 hours a week, but only 40, be less paid, but stay with his family for example. People have not the same goals in their life and obviously not the same motivation. That is why it is extremely important for a leader to understand what motivates his workers. That is why they have to understand their culture.

HALL and HOFSTEDE give us the knowledge to get intercultural competency, which is preponderant to a good leadership.

Finally we could still focus on the GLOBE research. The Global Leadership and Organizational Behavior Effectiveness research by HOUSE, HANGES, JAVIDAN, DORFMANN & GUPTA in 2004, focused on cultural differences in leadership and find out nine different characteristics across culture that are important for global leaders. These nine characteristics are:

Uncertainty avoidance

The extent to which a society, organization, or group relies on social norms, rules, and procedures to alleviate unpredictability of future events.

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### Power distance

The degree to which members of a collective expect power to be distributed equally.

### Institutional Collectivism

The degree to which organizational and societal institutional practices encourage and reward collective distribution of resources and collective action.

### Assertiveness

The degree to which individuals are assertive, confrontational, and aggressive in their relationships with others.

### Future orientation

The extent to which individuals engage in future-oriented behaviors such as delaying gratification, planning, and investing in the future.

### Power orientation

The degree to which a collective encourages and rewards group members for performance improvement and excellence

### In-group collectivism

The degree to which individuals express pride, loyalty, and cohesiveness in their organizations or families.

Humane orientation

The degree to which a collective encourages and rewards individuals for being fair, altruistic, generous, caring, and kind to others

Gender differentiation

The degree to which a collective minimizes gender inequality

## **The Global Leader : How can Intercultural Competence be identified ?**

A global leader or manager like Barack Obama, who works in an international company has to face cultural and ethical choices or problems. A culturally aware manager must have specific characteristics.

## **The Development Model of Intercultural Sensitivity : Ethnorelativism vs Ethnocentrism**

A famous model has been developed. J. Bennett in 1993 established The DMIS (The Development Model of Intercultural Sensitivity). This model is divided into two parts: ethnocentrism and ethnorelativism. Barack Obama is ethnorelative for instance.

It is significant that a good global leader has to be ethnorelative. He could be ethnocentric which is very bad part for the society and people who are around him because of :

he always thinks of his own culture

he feels his culture unique and universal.



The DMIS highlights an important aspect : the correlation between Intercultural Competence and worldview constructions of cultural difference. People can stay in a stage and not reach the upper stage.

People who are ethnocentric believe that their culture are « central to reality ». They do not accept the difference of culture. There are many signs to recognize one of them : a contempt toward others cultures, racist attitudes.

On the contrary, People who are ethnorelative recognize differences of cultures. They accept all of the behaviors which are different from their own.

### **The Ethnocentrism stages**

Denial is the first stage of ethnocentrism. This is when someone just kind of wanders through life without realizing that someone next to them could have very different cultural views. If they do think about other cultures at all, they think of them in very stereotypical settings. So, if someone is from Africa, then they must be poor and live with wild animals. There is no realization that africa has large, modernized cities like the rest of the world.

Defense is the next stage of ethnocentrism. Now they are able to recognize that there are differences between cultures, but they do so in a way that protects their own interests. So, different equals wrong or deficient. They categorize people into « us » or « them », with « us » being superior.

Minimization is the third stage of ethnocentrism. This is when we realize there are differences between cultures, but we minimize them by saying everyone is the same. We all are human. There is an important notion : the

melting pot concept where every culture gets mixed together so that what makes each one unique is devalued. Another problem is that when we say everyone is the same we mean that everyone is same .. as us. It is very unusual person who can consciously say that everyone is same because we are like you. Usually, we unconsciously approach this is an ethnocentric way thinking that everyone else is like us, so « us » or « me » is still the superior culture.

### **The Ethnorelativism stages**

Acceptance is the first stage of ethnorelativism. It believes that no one culture is superior to another. It recognizes differences between the cultures, but believes they can be adapted to or accommodated. In this stage, we know our own cultural identity and we accept someone else's cultural identity. We are curious about the differences and what they mean. Acceptance does not always mean agreement.

Adaptation is the second stage of ethnorelativism. This is what we generally understand as acculturation. We can easily move from one cultural viewpoint to another. We express intercultural empathy.

According to Bennett, integration is the third stage of ethnorelativism. He intends for it to be a more desirable stage than adaptation/ acculturation. By the way, integration here is what we refer to as assimilation. This stage is not necessarily better than adaptation and is not always necessary to reach. In this integration stage, identity becomes fluid. It can be positive if we are able to feel comfortable with and identify our new identity as a new identity. It can be negative if we leave us as feeling cultureless in a bad way, meaning

that we leave us feeling like we don't belong anywhere instead of like we belong in both cultures or multiple cultures.

## **Other intercultural Competences can be identified**

A good global leader does not have only an ethnocentric view as intercultural skill. There are also other components which can be analysed.

Deardorff studied a model of Intercultural competences. Experts in the field of Intercultural Competence have been questioned. They quote the other important skills :

« understanding other's world view »

« adaptability to new cultural environment »

« flexibility »

« tolerating and engaging ambiguity »

« understanding the value of cultural diversity »

« curiosity and discovery »

« Ethnocentric view »

## **The Intercultural Development Inventory : one of the assessment cross-cultural competence**

The goal is to identify intercultural skills, we can evaluate the latter. There are approximately 86 instruments of evaluation.

It is the questionnaire which was used in 25 countries and 12 languages. It measures the inventory of the intercultural development on the cognitive and behavioral plans which answers the recognized scientific criteria.

He also allows to understand and to identify the stages of development of an individual, a group or an organization

The Inventory of the intercultural development can help the referees in:

Improve the self-knowledge of every referee and identify the stakes which can slow down the development of the intercultural skills

Increase the understanding of the intercultural stakes at the level of the organization;

Determine needs in training and coaching;

Estimate the efficiency of the efforts in training, in orientation and in coaching;

Improve the intercultural skills of the referees;

Get ready for an international assignment

A good manager who wants to become a global leader can test its intercultural skills. He can thus see at which stage he is. Thanks to the results, he can do for example a training course to reach the following internship.

## **Profiles of the various leaders**

We will take some famous global leaders and then we will analyze in which stage they are on this continuum ?

The Harris Interactive institute realized a poll with six countries concerning the popularity of the world leaders but also their influence and their perception. 6135 sounded result from France, Germany, Spain, Great Britain, Italy and the United States and were questioned from March 31st till April 12th, 2010 concerning the world leaders.

Barack Obama and The Dalai Lama stay the most popular leaders (77 % and 75 %), followed by Hilary Clinton and Angela Merkel (62 % and 54 %).

Nicolas Sarkozy is the fifth with 37 %.

One of the worst leaders in our generalization is probably Mouamma Khadafi. I will compare the latest and Barack Obama. These two last one have totally different intercultural skills. So I will give a little presentation from them, then I will analyse their behaviors in terms of being a good global leader or not.

## **Barack Obama**

Born on 04/08/61 in Honolulu

He is the current and the 44th president of the United States of America, elected for a first mandate November 4th, 2008, and was reelected on November 6th, 2012

Barack Obama has a nice, gravely voice. One of his success campaign is his intercultural competence (rely on generalisations). He is the most powerful

man in the world and his personality is attached to her Afro- American roots and to the eclectic cultural tastes.

He is awarded a diploma by the Faculty of law of Harvard. He was also community organizer.

Due to his experiences, he acquired intercultural skills. If we identify his intercultural skills with the model of J. Benett, Barack Obama is situated at the stage of adaptation even of integration. He is ethnorelative.

Indeed, he is capable of seeing the world through various eyes. If he speaks to a population with a culture different from his own, he will constantly going to adapt itself to the new culture. He is considered as “ multicultural” personality

## **Mouamma Kadhafi**

Born on 19/06/1942 in Qasr Abou Hadi

Died on October 20th, 2011

Former President of Republic

He was military, statesman and Libyan political ideologist. And responsible for numerous attacks.

Khadafi studied the law for the university of Libya then, avid to make a career in the army, enters the military academy of Benghazi in 1963.

I think that Mouamma Kadhafi is situated at the stage of denial of difference or defense against difference. He does not have contact with people from

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other cultures. He always stayed in his country and his circle was from the same culture. He lived in isolation from the rest of the world. He can not understand cultural difference. To conclude with him, it is very difficult to recognize his intercultural competence unlike Barack Obama.

Barack Obama reaches the stage of adaptation to difference or integration of difference. Whereas Khadafi is not considered as a good global leader.

## **Conclusion :**

J. Benett developed a famous model which explains each stage of ethnorelativism and ethnocentrism. A good global leader has an ethnorelative view. But we can use other models to identify Intercultural Competences as the Deardorff's model. Experts in this model explains Intercultural skills which are important to them. Then, to identify all of this, one instrument of evaluation has been developed : The Intercultural Development Inventory. Finally, we described two leaders which have opposite personalities : Barack Obama and Mouamma Khadafi.

What Does This Leader Look Like?

It is very difficult to give a single definition of an Interculturally Competent Global Leader. In fact, there are probably as many definitions as there are researchers in this field, which makes our task difficult.

Nevertheless, a convincing explanation can be found about what should be a global leader thanks to Deardorff's researches in 2006. Indeed, Darla K. Deardorff has created a synthesis of researches that had been conducted in this field. Her model is represented as a pyramid:

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What is interesting with this research is that this model is dynamic. Becoming a global leader is not a prerequisite, we have to work to achieve this goal step by step. In fact, it distinguishes four levels:

Prerequisites: that is the attitude (respect, openness, curiosity)

Knowledge and skills: these are all what we can learn

The Desired internal outcomes: this is what we can apply to ourselves

The Desired external outcomes: this is what we can apply for the team

Moreover, this last aspect is important for a leader because he always works within a team. The manager is the bandmaster and he has to make musicians play in harmony.

What is the difference between an interculturally competent leader and a classic manager? What does this leader look like?

We will see the different aspects of a global effective leader. He has to first be a builder of relationships between different members of the group. Then he has to be a real bandmaster. And finally, he has to be able to create more leaders like him in an intercultural environment.

1) The Interculturally Competent Leader is a bridge builder

When we talk about leadership, we immediately think about a person who leads a group. While the leader is a chief, however, he is not only a leader in terms of a hierarchy but rather in terms of legitimacy. This is also the difference with the "Big Boss".

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According to Mansour Javidan in the Harvard Business Review (May 2010), the best leaders:

Have complicity with subordinates but make decisions for themselves;

Compete with their direct reports and make sure they are better than others;

Speak honestly, but take into account the status of the other;

Use indirect language and metaphors rather than going straight to the point;

Avoid taking risk.

In a word, they are the best and they can lead others where they want because they have the legitimacy to do so. In addition, they know how to federate people around them. They are effective and efficient in their jobs group because there is a link between the team members thanks to the leader.

However, when it comes to working with an international team, the task is more difficult because of our education. Whatever place you go to school or university, you learn to work with people who are like us (There are only rare exceptions). This system was working for centuries, but not now because of the context of globalization.

Indeed, when we get a job in a big company, we have a degree, new responsibilities and a team, which is - increasingly - intercultural.

What do such managers need to be operational? According to a study by the Thunderbird School of Global Management (USA), researchers have shown

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that these global leaders need a “ global mindset”. This is a set of three things:

“ Intellectual capital: Global business savvy, cognitive complexity, cosmopolitan outlook

Psychological capital: Passion for diversity, quest for adventure, self-assurance

Social capital: Intercultural empathy, interpersonal impact, diplomacy”

Leaders, who have this “ global mindset”, know how business, culture, economy, industry work. In addition they are very internationally oriented, so they are comfortable with the instability and unstable environments due to an international dimension.

They are also better able to build trusting relationships with people who are different from them by showing respect and empathy and by being good listeners.

They are what Peter Adler called “ multicultural persons”. He describes these people as:

“ A new type of person whose orientation and view of the world profoundly transcends his indigenous culture is developing from the complex of social, political, economic and education interactions of our time”. He also says “(the multicultural person) has psychologically and socially come to grips with a multiplicity of realities”, and finally, he has no difficulty in finding in an

international environment, or to establish new relationships or to travel from one place to another.

Thanks to this international experience, the “ multicultural person” – or leader with “ global mindset” – has no difficulty to work in an international environment. In this way, there is a link between different cultures and that is why he is a bridge builder between different cultures, values, norms and behaviors.

His work is perfect from the moment the link it creates between people is durable and strong and when it creates a network between different people of the intercultural team.

## 2) The Interculturally Competent Leader is a creator of value

The leader is by definition someone who has power within an organization.

There are two types of power:

hard power is the ability to act directly on the things, people and the environment;

soft power is the ability to influence things, situations and indirectly modify the environment and unify people.

It is interesting to study how a global leader uses his power in his work with an international team.

As we saw in the previous chapter, the model of “ DMIS” (development of international sensitivity) shows that there are different perceptions of other

cultures. For a global leader, it is very important to reach the stage of “ethnorelativism” and particularly adaptation or acceptance.

This is the only way to avoid stereotypes and promote global governance for a project or within an intercultural team. There are no more cultural, behavioral or values – even implicit -barriers.

In this way, the manager and the team will have a more consensual approach to the management of the project. This is what highlights J. Bennet in 1999.

In addition, this approach is better for solving problems in an intercultural environment. In the Harvard Business Review (in April 2012), Erin Meyer, who is adjunct professor of organizational behavior specializing in cross-cultural management at INSEAD in Fontainebleau, France, explains that a conflict does not handle the same way in different cultures.

For instance, she interviewed a French team and an Indonesian team. The French do not hesitate to highlight problems or anything they do not understand in a project. It is a way of avoiding misunderstandings and risks. On the other hand, it is very different for Indonesians: saying we disagree with a colleague during a meeting is seen as an huge insult. If you want to negotiate, seek clarification or advise, Indonesians do it during an informal meeting just before the official meeting.

How do we do if we have a team with a French and an Indonesian? To avoid conflict and misunderstanding, she provides tools to avoid these situations.

prepare the meetings: it serves to underline the details to explain;  
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depersonalize confrontations: instead of saying that we are not in agreement with a particular person, you can ask a third person to present the various aspects of the project and then discuss;

adapt their language: opt for a consensual vocabulary, instead of saying ' I disagree with that', we can say ' I do not quite understand your point'. The risk is that the conversation is completely closed.

In fact, become a Interculturally Competent Global Manager is not only mastering the technical skills, but also create an atmosphere for a team to do an effective job. Beth Brooks, global vice chair of public policy and executive sponsor of diversity and inclusiveness for the Ernst & Young network, calls these two aspects " the science" and " the art".

Often, managers master the technical skills, but are less good about " the art". This is more or less the case in the young multinational companies in the emerging economies. There is generally a rapid growth at the beginning, but just after this period, there are limits for the expansion of that company. Due to a lack of international experience, the senior managers are not able to develop an efficient work in team that become - increasingly - intercultural.

Business leaders must change their strategy: the aim is not the country but the world. Therefore, managers must see the world. The Sumitomo Bank has understood this issue: all managers are forced to move when they are juniors to be aware of global issues and think as an international manager and not as a national manager.

The value of managers increases with experience – the knowledge and skills they have acquired – and particularly his international experience, consequently if managers create more value, it is the entire team that creates more value. Increasingly, this is the value-driven management that works in business: value for team members, value for business and value for customer. As Safty said in 2003: Value driven leadership promotes “ humane governance, socially responsible management, and multicultural cooperation.”

### 3) Where are the tomorrow's leader?

This section will be mainly devoted to the work of Linda A. Hill, a professor at Harvard Business School. She is currently the faculty chair of the business school's High Potential Leadership Program and of the Leadership Initiative, a research program aimed at bridging the gap between leadership theory and practice.

Until the 1990s, CEOs knew where they could find effective leaders. Large multinational companies like Nike, the Coca-Cola Company and others formed a very good manager. In addition, in prestigious schools such as Harvard, the London School of Economics and the Ecole Polytechnique, there were promotions of brilliant students. While these organizations are still important reservoirs of future managers, but it is not anymore the only one.

In fact, employers must take into account the fact that capitalism evolves and the most effective ways of doing business are changing. Before the 1990s, the only interesting parts of the world were the Western countries and Japan, but the economic geography has changed. Today, multinational  
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companies can not do international business without taking into account what is happening in Asia, South America and the Middle East. There are more parameters and are attractive regions in these regions.

This is why managers should seek opportunities where they are, ie in countries with emerging economies. These are the most dynamic regions and where the growth potential is greater.

For example, India is well known for technology and IT, some people say that India is the “ world’s office.” In this context the company HCL Technologies is described as having business management system the most modern in the world. In order to find – or to do emerge – talents they use a rather surprising strategy: “ employee first and customer second”. This strategy is really far from our Western standards, but it illustrates how the Indian company gives importance to leaders it employs.

On the other hand, in South Africa, many businesses have hired former militants who fought the Apartheid. In fact, the situation is quite simple: one has to be a great leader to be able to initiate a social revolution like that in South Africa. Companies appreciate these qualities and that is why they use that leadership when they make business.

Professor Hill adds that employers should have confidence in the potential of youth. She highlights the major geopolitical changes occurring since the end of the Cold War. Young people who were born and raised in this period of permanent change have their own marks. They are aware of the change and are not used to a stable system.

However, it is necessary to pay attention to young people who are full of certainties. Indeed, young managers who have just obtained their diploma want to implement recipes. Nevertheless, business strategy cannot be implemented as a recipe. There is a great need experience before becoming an intercultural leader.

In any case, we must have been junior before being senior executive. The experience is something that is crucial, this is why seniors have a huge importance in international teams. They have a great role to play because they are the ones who transmit their skills (" the art") and sometimes their knowledge (" the science"). You can see the link with Deardorff's analysis: although knowledge and skills can be learned in school, work experience in an international team is paramount. In fact, becoming an intercultural leader is a perpetual cycle. You can always learn, and we have to learn in order to put into practice what has been learned: the Desired internal outcomes: this is what we can apply to our