# LEADERSHIP IN A GLOBAL SOCIETY

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The discipline of leadership in organizations has moved to the forefront in recent decades as an response to emerging issues in globalization. Many organizations have developed formal leadership programs in an effort to gain a competitive edge in a globalized world that requires more than technical and management skills. This article reviews several authors' theories on the qualities of leadership and how to successfully integrate leadership into today's workplace.

## **INTRODUCTION**

What is leadership? Are leaders born or made? Are there innate qualities that predetermine if one will be a leader or a follower? Can one be trained to be a leader? There are no conclusive answers to these questions, at least none that can be proven without exceptions to the rule. A management position is not indicative of leadership qualities or abilities. Effective leadership cannot be characterized into specific criteria but manifests on many levels. Not every leader will embody all of the criteria but many will possess common criteria required for effective leadership. For example, many effective leaders are charismatic but charisma is not a tangible quality but it is 'something' that draws followers. A charismatic leader has the ability to influence others in powerful ways; however, the ability to influence may not always have positive results as evidenced in such tragedies as the Holocaust and 9/11. Leaders must appear credible to those that follow them, if they do not believe in what they are touting to others then they will not have the ability to influence others. Leaders must deal in truth and make hard decisions that may be unpopular but necessary and stand by their decisions. There may never be one, single definition that will capture all of the qualities of an effective leader but there is solid evidence to support common threads among all leaders.

#### LEADERSHIP DEVELOPMENT

Authors, Ilan Alon and James M. Higgins explore the critical issue of globalization and the interdependence of businesses without borders or constraints in their book "Global Leadership Success through Emotional and Cultural Intelligences". Leaders may be born or made or a combination of the two theories "... but leadership is the ability to turn vision into reality (Llan and Higgins, 2005). Alon and Higgins also report that in order to be a successful leader in the global business world, several key points need to be acknowledged:

- 1. Leaders need to develop global competencies
- 2. There is a shortage of global leaders in the corporate world
- 3. Many companies do not know what it means to develop corporate leaders
- 4. Only 8% of Fortune 500 firms have comprehensive global leadership training programs
- 5. There is a need to better understand the link between managerial competencies and global leadership (Alon and Higgins, 2005)

Authors Davis Dyer and Charles Knight have compiled a list of the qualities that they believe effective leaders possess. This list was compiled based on years of experience and best practices that have worked in all levels of management throughout the world. Although, this list is not exhaustive, it is very comprehensive and an excellent baseline for developing an effective leadership program. As individual points, they may seem obvious but collectively and cumulatively ... they help create the environment for exceptional organizational performance" (Knight and Davis, 2005). Knight and Dyer diverge with many theorists in their belief that leaders are made and not born. Knight and Dyer's list of Ten Traits of Effective Leaders is as follows:

- 1. Be Committed to Success
- 2. Set Proper Priorities
- 3. Set and Demand High Standard
- 4. Be Tough but Fair in Dealing with People
- 5. Concentrate on Positives and Possibilities
- 6. Develop and Maintain a Strong a Sense of Urgency
- 7. Pay Attention to Detail
- 8. Provide for Possibly of Failure
- 9. Be Personally Involved
- 10. Have Fun

Ultimately, possession of these traits does not ensure that one will be an effective leader. "There is a palpable feeling of excitement that arises when you work with smart and engaged people whose goals and commitment are the same as yours" (Knight and Dyer, 2005). Although these traits are common place among successful leaders, they do not fit into any particular mold. There is more than one way to lead and "there is no right way to lead" (Knight and Dyer, 2005). Leaders must lead by example and gain the respect of their staff. It is very difficult to effectively lead without the respect of the staff. Staff members need to see that the leader is fair across the board.

#### THE GLOBAL EXPERIENCE

As the world continues to evolve into a global society, cultural competency is as important as emotional intelligence to maintain healthy relationships with global partners. There are many programs and courses geared toward leadership development but as we study more about human nature and learning styles, it is clear that generic leadership training will not work in today's diverse organizations.

Research shows that integrating the multi-intelligences into teaching styles is also very effective in management styles. "Ultimately, the negative consequences of wrong leadership

choices are both expensive and well-publicized... Although, some firms are endeavoring to enhance the emotional intelligence capabilities of their leaders, very few have moved to grow cultural intelligence..." (Llan and Higgins, 2005).

Humans are often driven by their emotions and make critical decisions based on emotions. "When a person receives a piece of information, it is automatically assessed from an emotional perspective... when a person receives information, the older part of the brain still considers the fight-or-flight response..." (Alon and Higgins, 2005). There is still debate on whether or women or men make better managers simply because of their emotional makeup. Women are often viewed as more intuitive, more caring and more sensitive to the needs of others while men may be seen as cold, decisive, and impersonal toward others. Is there a difference between women and men? A plethora of books and articles discuss the differences between women and men but the jury is still out on whether women and men make better managers or leaders. "One explanation is the different ways men and women have been socialised. Men are taught to be active and dominant risk-takers and showing emotion is inconsistent with this image. Women, on the other hand, are socialised to be nurturing. Gender may thus, facilitate the influence of training programmes on the leaders' emotional intelligence" (Ogunyemi, 2007).

Knight and Davis examine pitfalls that plague many leaders such as planning or more importantly the lack of effective planning. "First it takes hard work and hard thinking to identify a limited number of actions and communicate them in a clear, logical sequence-to keep things simple. Second, leaders may pursue the wrong priorities, but they may just as likely-maybe more likely to be unsure of what the right priories should be, especially in a fast-changing world. They don't take the time and do the work to get their priorities right. Third, leaders often experience difficulty in managing the tradeoffs among conflicting objectives..." (Knight and Davis, 2005).

Often, the very best and most effective leaders fail to plan for leadership development and train appropriate successors. Why? They are other pressing issues such as avoiding legal ramifications, environmental scandals, accounting problems, and political snafus. This is very logical and acceptable but at the same time dangerous to the company's well-being. "Companies whose boards and senior executives fail to prioritize succession planning and leadership development end up either experiencing a steady attrition in talent or retaining people with outdated skills. Such firms become extremely vulnerable when they have to cope with inevitable organizational upheavals-integrating an acquired company with a different operating steely and culture..." (Cohen et al, 2005). This can be pulled straight from recent headlines as many prominent companies face scrutiny and its senior executives face prosecution and even imprisonment. If a company fails to employ an effective leadership development plan, then they plan to fail. However, it is clear that that senior executives cannot control every facet of the company but they must mentor and work closely with those persons and departments that do control these functions. It is no longer feasible to expect that people will stay in the same position for thirty or forty years and remain loyal to the same company. Employees are often not trained formally or informally to be ready to move at a moments notice into a new position or better opportunity. No one person should possess all the information in expertise in one area. Knowledge Management is a growing field that is critical in maintaining knowledge in accessible vehicles. In years past, one person could possess all the critical knowledge and when that person left, the knowledge left with them. As the world becomes more and more globalized, it is a reality that geographical and cultural boundaries will completely disappear. Lifetime job security is no longer a 'given' in today's world and alternatively employers must work hard to attract, train, and retain the best and the brightest. The most valuable asset in a business is human

capital and organizational strategic plans should reflect this fact. "By engaging managers and the board... a company can align its leadership development processes with its strategic priorities. The company can also build a clear and attractive identity; its employees perceive that leadership development processes are what they are declared to be. Such coherence, identity, and authenticity, in turn, make it easier for the company to attract the future leaders it needs" (Cohen et al, 2005).

When one examines the fact that "only 8% of Fortune Five Hundred companies have comprehensive global leadership training programs", then the question remains if these companies have an edge above the remaining 92% of Fortune 500 Companies. Also, if the other 92% of Fortune 500 Companies ARE Fortune 500 companies, then, comprehensive global leadership training may not be a prerequisite to succeed. Perhaps, the remaining 92% of companies have leaders that are already trained and prepared to lead and the other 8% needs to nurture the leaders that they currently have on board.

Tyson Foods is an example of a company that made billions of dollars each year but failed at effective leadership development. CEO John Tyson struggled with frustration as he tried to implement many different leadership programs at Tyson Foods to capitulate the company into another level of leadership and increased economic prosperity. Tyson did all the right things in the beginning, he had control over the key components of success for the business but he realized that the reason that they were not excelling more is that they did not have more developed leaders in place who were prepared to succeed those that left the company or were promoted. Tyson spearheaded a task force to assess the company's needs and to formulate a plan for successful leadership development. No detail was overlooked and everything was scrutinized and the task force produced an integrated plan for effective leadership development. "Leaders at all levels were either in or out" ... They couldn't waffle about contributing their time and effort to the new talent development system; they couldn't 'protect' talent, hoard resources, or declare themselves immune from succession planning.." (Cohen et al, 2005).

Tyson reviewed other companies' leadership development plans and even visited other companies to observe their leadership development plans and returned to Tyson Foods to implement the programs but failed miserably. Why did John Tyson fail at numerous attempts to implement a comprehensive and effective leadership development program? Tyson is not alone in this thinking in the notion that 'one size fits all' for leadership development plans. He failed because he did not implement a company needs assessment and he was faulty in his assumption in that worked for other companies would work for Tyson Foods.

Many leaders implement change but they are not all successful. What are the key elements in leading and implementing change? Author John P. Kotter maintains that, "leaders who successfully transform businesses do eight things right (and they do them in the right order)" (Kotter, 2007). Kotter observed several large companies trying to make effective changes in their organizations to address a new and modern environment. It is clear that change is not immediate or a "quick fix" but must be a plan that is well-thought out and executed. Kotter has presented eight critical steps that must be executed flawlessly in order to make the transformation successful. The first critical step is to establish a sense of urgency. Leaders must create an atmosphere of urgency that is clearly communicated to their employees. It must be implicitly stated this is an emergency state and they must respond accordingly. Kotter states that during this crucial phase, fifty percent of companies fail. This is the phase that requires a shift in organizational thinking and identity. It is not important of the exact reason for initiating change but it is important to recognize that a change is needed within the organization. It can be tricky

to convince others that it necessary to initiate wide scale changes throughout the organization but it can be done. Some executives have resorted to "manufacturing crises" to increase the sense of urgency.

The second step is to create a powerful guiding team. It is necessary to have a powerful team throughout the entire process especially during the initial years. The guiding team can begin with a small number and increase in span and effect of the change continues to reverberate throughout the organization. Organizations may fail during this phase for several reasons including "[not having a] history of teamwork at the top and therefore undervalue the importance of this type of coalition... No matter how capable or dedicated the staff head, groups without strong line leadership never achieve the power that is required" (Kotter, 2007).

The third phase includes creating and maintaining a vision for the future of the organization. A vision goes beyond the mission and requires intricate plan over a period of a minimum of five years. The coalition must hone this document until everyone buys and supports the final document that is a crystal clear outline of the future of the organization. However, this plan may be imaginative but the team must be honest and realistic in designing a plan. It must resist the temptation to fall back into the "old way of doing business". Kotter offers a rule of thumb concerning the vision – it should be able to be "communicated in five minutes or less" to others in the organizations.

The fourth phase includes under communicating the vision. If an organization has been able to make past the first three phases, they are well on their way to successfully implementing change but they must be sure to effectively communicate the vision at every turn. To take this step further, executives must live and breathe the vision and refuse to act in aversion to the vision even when it is most comfortable. "Communication comes in both words and deeds, and the latter are often the most powerful form. Nothing undermines behavior by important individuals than is inconsistent with their words" (Kotter, 2007).

The fifth phase requires that tangible and intangible obstacles are removed as not to impede the flow of the progress. Everyone needs to be empowered to make decisions and create innovative ideas and processes. Employees that are not embracing the new changes and processes need to be counseled or removed. Everyone should take ownership for the success or the failure of the organization; however, it should not become so personal that employees are emotionally paralyzed by their old habits and fears. Executives must possess the ability to identify the employees who are hindering the organization and take corrective action. Once an organization has successfully navigated the first four phases, it should be evident who is onboard and who is not onboard for the long term future of the organization.

The sixth phase is requires that the long term plan allows for systematic and short term wins. The coalition must actively plan for the short term goals and wins while working toward the long term plan. This is why it is important to communicate the vision early in the change process, failure to do so while have long term consequences. Employees will need to "see" progress toward the long term goals in order to justify short-term sacrifices and shifts in behaviors. It is critical that short-term wins are communicated and celebrated throughout the process to create a positive and progressive environment.

The seventh phase involves being patient and not declaring victory too soon. The change process is a long term project that will require enormous amounts of time and effort. The changes must be sustained before declaring victory. The basic principles of Total Quality Management (TQM) maintain that once the initial work and shifts in processes are completed,

the changes must be consistently maintained and re-evaluated. If executives declare victory too soon, they risk disastrous and possibly irreparable damage to organizational morale.

The final and eighth phase is anchoring changes in the corporation's culture. In short, after an organization has successfully completed the first seven phases, it is important that the changes become ingrained in the fabric of the organizational culture. The old, ineffective habits should be replaced by the new, innovative habits. The organizational vision and values must be continuously espoused and conveyed in words and actions especially by the executive leadership.

#### **IMPLICATIONS OF FURTHER RESEARCH**

The discipline of Leadership is a field that will continue to develop and evolve in the future. As we become more globalized and the science of leadership becomes more formalized, there will be an increased growth in leadership academic majors at universities and colleges. Many organizations will realize that they will need to differentiate between management and leadership and ensure that their key staff members posses the ability to lead and manage in today's workplace.

Effective management is needed throughout the world in all different types of organizations but in order for management to be effective, there must be effective leaders. What is an effective leader? Are they born or made? Is there one 'right' style of management or leadership? Effective management depends on many variables including but not limited to organizational personality and organizational culture.

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