Organizations grow increasingly more global and not less so. Consequently, more and more people in the organization are exposed to global work.
Global vs. international leadership – what is the difference?

**Definition of GLOBAL**

1. including or affecting the whole world
2. complete, including all parts of something

**Definition of INTERNATIONAL**

1. involving several countries, or existing between countries

Global leadership encompasses:

1. Leading the organization
2. Leading people and managing relationships
3. Managing self

It involves a holistic, all-inclusive and boundary-spanning world view. One that goes well beyond cultural differences and spans across contexts, employee backgrounds, organizational functions, cultures, languages, geography and national borders.

Global refers to *concerning or including the whole world* and *involving or relating to all the parts or aspects of a situation*

Global leadership goes therefore beyond ‘culture’ and encompasses a holistic, boundary-spanning world view, i.e. being all-inclusive and spanning across functions, cultures, borders and boundaries.
This presentation provides you with an overview of

- What characterizes leading in a global context
  - It looks at the skills, mindset and attitudes needed to be successful in an international job role apart from functional/professional skills

- The innate characteristics that Danes take along when they practice leadership in a global context
  - It looks at the upsides and downsides of Danish-style leadership when practiced in an international work setting
Part I: What characterizes leadership in a global context?

“Having to swim in unfamiliar waters”

Source: Danish global leader
Globalization exposes companies to numerous challenges emanating from the dramatic increase in complexity, diversity and uncertainty. How managers address these challenges determines whether globalization yields competitive advantage or disadvantage and makes the company stronger or weaker.

Global leadership is about managing 1. global complexity and 2. global connectivity

**Global complexity – related to the task context**
Global leaders encounter and deal with high levels of variety, interdependence and flux due to cultural, national and customer diversity (they have to deal with different marktets, governance sturcutres, employee backgrounds and motivations, legal systems, etc.). Additionally they face interdependent competition, integrative responsibility as well as ubiquitous change and unpredictability, e.g. Chinese Yuan devaluation, stock market instability, oil price fluctuations, etc.

**Global connectivity – related to the relational context**
Global leaders engage to a higher degree in boundary spanning activities, there is higher relational demand (due to distance), and an emphasis on influence efficacy.
They have to span organizational, cultural, political and institutional boundaries.
They have to mobilize a more diverse workforce towards synergistic work and common goals.
Need to have higher efficacy in influencing relevant and diverse constituents.
Personal reflection task

Which of these factors give challenges in your own organizational context?
Increasing complexity puts higher demands on balancing leadership skills

Think long-term
Innovate
Think and act global
Standardize
Collaborate
Pursuit of growth

Deliver short-term results
Improve efficiency
Think and act local
Decentralize
Compete
Desire for control

Increasing complexity puts higher demands on balancing leadership skills. As the international business environment becomes more global, fast-paced, and competitive, internal organizational processes and roles also become more complex. As a result, global leaders have to deal with an increasing amount of organizational paradoxes, i.e., they have to manage salient and persistent contradictory demands. Paradoxes affect organizations at many levels—strategy, implementation, personal—and are often experienced as organizational tensions. They involve, for instance:

- Think long-term AND deliver short-term results
- Be creative AND increase creativity
- Collaborate AND control
- Individual demands AND collective demands
- Local flexibility AND global efficiency
- Profit AND social responsibility
- Invest in new business initiatives AND maximize profits from existing businesses
- Centralize operations processes AND decentralize others
- Hold individuals accountable for results AND hold teams accountable for results.
What is global leadership? Is it general leadership simply exercised in a different context or is it a different kind of leadership involving a new skill set? The answer is that global leadership is different from domestic leadership.

Why? The global context places higher demands on the agility of practicing leadership, because not every situation, relationship or context calls for the same leadership approach. While general traditional leadership competencies are still important, leadership is not the same everywhere.

What? Global leadership is said to differ in terms of the issues related to complexity, connectedness, boundary spanning, ethical challenges, dealing with tensions and paradoxes, pattern recognition, and building learning environments, managing relationships, teams, and communities as well as leading large-scale change efforts – across diverse cultures (Osland and Bird, 2006).
In which situation(s) have you experienced a need for adjusting your own leadership style?
1. Global leadership requires …

Solid management and leadership skills

Since global leadership is not just general leadership exercised in a different context; **leading in a global context requires frequent retooling of extant skills and mindset.** Global leaders must move skillfully back and forth between differing business environments, and between different employee backgrounds and motivations, even when these call for very different approaches. Effective global leaders are those that are able to shift their communication style, leadership methods, and strategy to fit various contexts. There are 4 critical factors that contribute to being successful in a global leadership role.

At the core – managers must have a solid grasp of traditional managerial and leadership practices, e.g. setting goals, following up on performance, providing developmental feedback, motivating people, resource planning, communicating, creating meaning, situational leadership, managing relations, etc. If leaders don’t have a solid foundation of the basic management and leadership skills, it will be difficult for them to apply these skills skillfully and flexibly to different contexts, situations and people.
Management AND Leadership

Management is operation, and Leadership is development. 

- act on defined goals … shape future
- execution and control … transformation
- resource planning … ambiguity
- problem-solving … opportunities
- procedures … ideas and risks

communication & motivation
Next, those managers in a global leadership role (i.e. boundary-crossing role) need to have a ‘glocal’ mindset, which refers to the fact that managers need to think and act both local and global at the same time. Today, the traditional management mantra with ‘Think global and act local’ is no longer sufficient.
A manager with a ‘glocal’ mindset understands the need for global integration and local responsiveness and works to optimize this duality. The glocal mindset involves an appreciation for diversity as well as homogeneity and an openness to learn from everywhere.

A glocal mindset involves balancing the following business dualities:
- One-size fits all AND Localization
- Standardization AND Diversity
- Integration AND Specificities
- Homogeneity AND Heterogeneity
- Simplicity AND Complexity
- One company AND A group of companies
- Cooperation based on interpretation of values (with some room for local interpretation) AND Cooperation through common denominators
- Harmonization AND 'Just enough'
‘Glocal’ Mindset
A competence that can be developed

‘Glocal’ mindset involves:
• Cognitive skills to handle complexity
• Cosmopolitan outlook
• Open, empathic, and curious about diverse people and situations
• Knowledgeable about world affairs
• Ability to appreciate different points of view
• Ability to bridge and merge ideas, i.e. merge global and local into ‘glocal’
Personal reflection task

In your role, where and to what extent do you have to balance local and global concerns?

Global leadership requires frequent retooling of skills and mindset

Solid management and leadership skills

"Global" mindset
In addition to 1. solid management and leadership skills, and 2. 'glocal' mindset, global managers need to be able to adjust their leadership style to create results in different situations and contexts. They need to be agile in the way they apply their skills.

Naturally, managers have a specific leadership style, which they bring along (see also part II: Danish leadership style in a global context). In certain environments this leadership style can be a gift, while in others it can be a liability and not as effective as intended. A democratic, consultative leadership style for instance; one based on listening and consulting others may be highly successful in a Danish setting, but in an Asian or even North American context could be misinterpreted for lack of knowledge or incompetence, resulting in a weakened leadership position.

Thus, **global leaders need to be aware of the leadership practices and style that they bring along. At the same time they need to be able to see and interpret the local practice and how these tow match.** Noting the differences between the two requires then a conscious decision to act upon them. Consequently, global leaders must be able to shift strategies, business processes and personal styles to fit the differing environments and a broader range of employee backgrounds and motivations. This requires a heightened awareness of what we bring along and how reflective these skills are as well as a new or expanded repertoire of leadership behaviors to match the situation.

Global leaders have to be **agile both in terms of their role (leader vs. individual contributor) and in terms of culture.** According to Paula Caligiuri there are **3 different cultural approaches:** cultural adaptation, cultural minimization and cultural integration.

- Cultural adaptation is applied when the practices of the country are critical for business success. Managers must adapt their practices and style to succeed in the local context, e.g. adhering to local governance practices or tax regulation, lobbyism, ect.
- Cultural minimization is applied when cultural differences need to be minimized in order to standardize or align processes, e.g. when implementing company-wide practices such as health and safety standards, codes of conduct, or corporate values.
• Cultural integration is applied when it is important to integrate different viewpoints or finding a compromise. It is about developing a set of new norms acceptable to all cultures involved or about finding the 3rd way often the case when companies come together through mergers and acquisitions.
Leadership agility is supported by

- Tolerance of ambiguity
- Resilience
- Humility
- Perspective-taking


Read more in the following GLA article: Cultural agility - the skills needed to navigate successfully in multi-cultural contexts
http://di.dk/globalleadershipacademy/newsandarticles/insights/Pages/CulturalAgility%E2%80%93theskillsneededtonavigatesuccessfullyinmulti-culturalcontexts.aspx
Leadership agility
Adjusting behavior without losing yourself

Being effective in a myriad of foreign situations requires more than mere knowledge.

It requires the capacity to
• act on what you know
• mold and shape your behavior so that you can be simultaneously be effective and appropriate in a setting without losing who you are in the process

Source: Andy Molinsky (2013) “Global dexterity: How to adapt your behavior across cultures without losing yourself in the process”

With knowledge and awareness of how cultures differ, culturally agile professionals can read the cues of the environment and effectively respond with one of the three broad cultural orientations, depending on the demands of the situation:
• cultural minimization (maintaining a standard regardless of the culture),
• cultural adaptation (change behaviors to fit the cultural context), or
• cultural integration (synergizing an approach across multiple cultures without over representing any one culture).

Roughly sixty percent of all professionals favor one of these cultural orientations; however, research has found that culturally agile professionals are able to successfully toggle among cultural adaptation, cultural minimization, or cultural integration depending on the strategic or professional demands of the situation. Having a greater number of available orientations enables professionals to respond accurately depending on the cultural demands of the situation.
Personal reflection task

Think about situations, where your leadership agility is challenged and you have experienced a need for these skills.
Finally, global leadership requires simply more effort. Working in a global context requires more in terms of communication, and bridging geographical, emotional and social distance. There is also more travel involved and more working hour flexibility required to accommodate collaboration across spatial and cultural distances.

Interviews with highly accomplished global leaders reveal that a higher level of effort is required to perform effectively and successfully in a global leadership role when compared to a purely domestic setting (Gundling et al., 2011). An interviewee explained “I could do three out of five things in a domestic leadership role and still be successful, while in my global position I had to get all five right or the initiative would fail”. Even though core leadership skills prevail also in a global setting, global leaders have to adapt their personal style to the way things are done in a different context, which requires awareness and special effort.

Furthermore, our taken for granted work practices – no longer work when working across distance. Virtual collaboration involves more communication in terms of shared goals, practices, etc. Colleagues that are geographically dispersed will for instance not know that the “no-show” of their manager for an important teleconference is due to him being pulled out by his boss to attend an even higher priority case. His home-based team on the other hand may have witnessed the incidence and will intuitively know that he is engaged otherwise. Without proper communication, this incidence may cause frustration among the global team, leaving them with a feeling of disrespect and/or down prioritization. Consequently, working across a distance requires added communication. In a geographically dispersed setting, you cannot assume that others know what is going on around you, you will need to “over-communicate” and this requires an extra effort.
Personal reflection task

What does your role require in terms of bridging distance:

1. Geographical
2. Emotional
3. Cultural
4. Social
Successful global leaders are those, who …

… are able to shift their communication style, leadership methods, and strategy to fit various contexts and bridge geographical as well as social and emotional distance.

They can move skillfully back and forth between differing business environments, even when these call for very different approaches.

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Intuitively, **Danes export their Danish style of leadership to the global work context.** Yet, ‘Danishness’ can be extremely effective in some situations and outright destructive in others.

Thus, one cornerstone for being able to flex and adjust one’s leadership style to different situations is the awareness of what innate characteristics we bring along when managing/leading in a global context. This part will therefore focus on general characteristics of the Danish leadership style when applied to a global context. The findings presented here are based on a research study conducted by Aarhus University for the Global Leadership Academy (2014-2015) focusing on “Danish leadership style in a global context – upsides and downsides”. The study is based on 32 interviews with Danish leaders (in Denmark and abroad) and their international staff in 15 internationally operating organizations, as well as two questionnaires sent to 1,500 staff in international organizations (n=971).
'Danishness' is a competitive factor in international work
Drawing on two surveys and 32 qualitative interviews, the study shows that Danish-style leadership can be characterized as democratic and equality-oriented as well as informal, open, and trusting – i.e. very similar to its manifestation domestically.

The open and trusting approach to collaboration makes Danes particularly well suited to be global leaders. Results from the survey reveal that in comparison with other nationalities, Danish leaders are more effective in international work. This is due to their ability to deal better with uncertainty and are quicker to adjust to new situations. Openness and inquisitiveness are also traits, which help them get a grasp of the new work context quickly. Additionally, Danes tend to facilitate more creativity and innovation in their international work groups, primarily due to their open, trusting, and including attitude.

These naturally embedded skills are strong building blocks in international work, especially when tasks are carried out across a distance. Thus, Danish managers have a good foundation for exercising leadership in a global context.
Foreign employees are enthusiastic about Danish leaders
The democratic and inclusive approach that characterizes many Danish leaders often motivates foreign employees; they feel seen and heard. Foreign employees also point to three additional skills that Danes are innately good at:

1. showing respect, while
2. being direct when communicating, and
3. reconciling work and private life.

Danish leaders are generally perceived as direct and respectful in their way of communicating. They are good at asking questions and are clear in their expectations in a polite manner. This encourages innovative and creative work communities. Danish leaders are also known for establishing a good “work-life” balance, not only to the benefit for themselves but also their foreign employees.

In the interviews, some foreign employees explain that they prefer a Danish leader to a local leader.
Danes have strong international leadership skills when compared to other nationalities. This conclusion is made in a research study inquiring into how Danish leaders are perceived in a global context. Yet, ‘Danishness’ is not all a bed of roses when exported. There are both upsides and downsides when ‘Danishness’ is practiced on the global scene, says Jakob Lauring, Professor at Aarhus University who is behind the research study.
Danish-style leadership has both advantages and disadvantages

**Upsides**

- Innate characteristics make Danes well suited to be global leaders
  - Openness and inquisitiveness help to adjust to new work contexts quickly
  - Open-mindedness, trusting and including attitudes facilitate collaboration, creativity and innovation
  - Foreign employees are motivated by Danes’ democratic and inclusive behavior
  - Focus on work-life balance

**Downsides**

- Not all foreign staff are content with the Danish way of leading
  - Implicit processes and the lack of formal routines can cause confusion and irritation among foreign workers
  - Danish directness can be experienced as patronizing
  - Democratic approach can lead to inefficient decision-making and lack of conflict management

Source: GLA rapport (2015) “Danish leadership style in a global context”

Danish style of leadership takes getting used to

Nevertheless, not all foreign staff are equally content with the Danish way of leading. In Denmark, we have high expectations towards employee autonomy. Implicit processes and the lack of formal routines can cause confusion and irritation among foreign workers who feel insufficiently informed and do not want to ask questions all the time. They often lack clear direction and authority. Danish directness can also be experienced as patronizing. Compared with the British for instance, the straightforward language of the Danes can be perceived as abrupt and imposing; and according to one interviewee, ‘This pisses people off’. Additionally, foreign employees point to inefficient decision-making and lack of conflict management, as a result of the democratic approach. Thus, non-Danish employees need time to adjust to the Danish style of leading.

International work stresses

The study also reveals that Danes have a tendency to get more stressed working in an international work environment than other nationalities. When Danish leaders find themselves under pressure, they can appear rigid and dictatorial. This is the case when the democratic and including leadership style does not work as intended. Combined with a possible lack of cultural understanding, Danes tend to display inappropriate behavior. Only naturally, in stressful situations the reptilian brain - or emotional alarm center - goes into overdrive leading to opposite behavior, i.e. closed, formal, and autocratic.

‘Danishness’ is no bed of roses

Thus, leadership in a global work context is not ‘just’ a continuation of the Danish-style of leadership, which can be extremely effective in some situations and outright destructive in others. Successful export of Danish leadership skills requires a heightened awareness of the impact of our ‘Danishness’. This implies more effort and agility in order to use our repertoire of attributes appropriately. In other words, it is important to switch off the Danish leadership autopilot when working internationally.
Personal reflection task

1. Do you recognize these characteristics in your own leadership style?

2. Think about situations, where you need to turn-off your leadership autopilot in order create a better outcome.
5 Global Leadership Essentials:

- Solid understanding and grasp of the basic management and leadership skills
- ‘Glocal’ mindset – combining thinking and acting global and local at the same time
- Leadership agility – adjusting own leadership approach and strategy to suit the situation, context as well as employee backgrounds and motivation
- Extra effort to bridge geographical, social and emotional distance
- Self-awareness and reflection to continually adjust own leadership style to match intended outcomes
Final personal reflection task

How do you create space for reflection
1. for yourself
2. in your team?
Find more on di.dk/globalleadershipacademy
Additional readings and resources from GLA website

- Danish leadership style in a global context – upsides and downsides (article)
- Danish leadership style in a global context (report)
- Designing organizations with a global mindset (report)
- Global mindset as a driver for global collaboration and leadership (tool)
- Leadership across borders takes extra effort (article)
- Leadership across borders (tool)
- When a 1000 kilometers separate manager and employee (article)
- Fitting in without giving in (article)
- Cultural agility – the skills needed to navigate successfully in multi-cultural contexts (article)
- Virtual collaboration (tool)
- Cross-cultural cooperation (tool)
- Trust and conflict in global work (report)
- Global leadership behavior (report)
- Leadership paradoxes in a global world (tool)