In Search Of Right Global Leadership Competences

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Abstract –
This research explores competences that are essential for global leaders, i.e. expertise, skills, abilities and personalities. The aim is to discover a general set of competences that are very common in both literature and practice but exceedingly vital to be efficient global leaders. Another objective is to identify the most successful methods of development for the competences identified. The theoretical aspect of this research provides an outline of the literature on the topic and directions to an outstanding framework of competences relevant to global leaders from different researchers’ perspectives. The most successful approaches for improving these competences are also identified. The experimental section, which is the standard study of the research, is based on a review of the literature. The research findings are compared with the findings of the literature review to create a set of competences for global leaders by semi-structured interviews with global business leaders. The key findings of this research indicate that personality traits are the most important attribute among global leaders and they are deep into the core of an individual. The most important competences for global leaders are therefore also those that are most difficult to change. Increased life-changing development experience is required to affect such competences.

Index Terms: Change Management, Competences, Global Leadership, Personality Characteristics

1. INTRODUCTION

Globalisation has dramatically changed the business environment over the last thirty years. Today’s corporate world can no longer hide, as globalisation continues, and every business enterprise is said to be a bit global [1]. Any corporate needs to be responsive to the new world market opportunities and challenges. Competent global leaders are seriously fewer and even the corporate with global leaders regret their lack of sufficient competency levels [2]. Moreover, past leadership skills have been said to be inadequate for the future of the global economy [3].

A. Background
Business is more complex and unpredictable than ever against this new global environment [4], creating an urgent need for global corporations to develop leaders to succeed in the new and evolving global environment and to help the leaders to transform themselves to succeed. Above all, the nature of economic globalization not only affects the corporate market approaches but also the criteria of the corporate leaders' expertise, talents, abilities and other personalities' (competences). This leads to the issue: how can leaders acquire these skills efficiently and how can they achieve them in the global corporate world? Besides, these essential competences are innate or can they be developed?
B. Purpose of the Study
There are potentially the same numbers of interpretations as scholars to the term 'competence' and some of them also differentiate between the terms competency and competencies. The key goal of this research is to pursue a more common and popular collection of talents, experience, abilities and other traits of personality, which are commonly relevant and identifiable to efficient global leaders. That means the purpose of this research is to shed light on the basic competences required for a successful global leader to be efficient and equipped, rather than compiling a list of specific skills, abilities, and knowledge. And after identifying key core competences, effective approaches are explored for developing these competences. Eventually to explore the leading competences practised by the global leaders.

C. Research Questions
What are the global leaders' most important competences?
How to develop these competences most efficiently?

2. REVIEW OF LITERATURE
A. Drivers of Globalisation

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Figure 1: Drivers of Globalisation

There are considerable motives for corporate world to shift towards global. The underlying factors primarily technologies, prices, customers and rivals. Corporate new high-tech products' costs in research and development are rising so high that corporate are forced to pursue global sales to recoup their investment. Price in today's competitive market climate must be kept as petite as possible, so corporate must always be vigilant of suppliers to keep their prices down and shift their manufacturing plants to the most environmentally productive locations. Furthermore, consumer preferences around the world are becoming increasingly confluent, generating massive market opportunities and placing pressure on them to become multinational. Corporate world may not have a choice but to enter the arena of its big industrial customers globally. Moreover, pressure from competitors is forcing the corporate to go global to survive, as they can come from anywhere in the world if they wish to succeed and do not suffice to protect their domestic market [2].

There are four groups of drivers of globalisation which are consistent with the previous one, but which determine the corporate global potential and need. The drivers of the corporate rely on consumer activity, sales channel rivalry and the complexity of marketing in the field. The economy of the business dictates the expense generators. The acts of competitors are decided by competitive drivers and government drivers according to laws and rules set by national governments. Such drivers evolve over time and often rely on corporate characteristics. The drivers of globalisation are usually beyond corporate control. The convergent shifts developments in these drivers often improve the globalisation opportunity of many sectors and enable policymakers to rely more on global strategic approaches [5].
The convergence of market desires and demands, driven by major technical advances, as a globalisation driver for businesses over the last twenty years, enables businesses to develop and manufacture products globally. The surge of globalisation, which has attracted these corporate to global market forces, has been further strengthened by the internal restructuring of major corporate in an industry where external globalisation forces were not as strong. One reason for globalisation, instead of treating foreign markets as separate and different from others, was the strategic approach in which businesses conducted their global activities as interdependent organizations driven by their unified multinational policy [6].

A. The Global Corporate

Brake [4] proposes four main drivers that are divergent from the previous ones for a multinational business. This includes incorporation, streaming, leverage and optimisation. Through incorporation, it is known to be one global division, particularly though multinational corporations and all of their branches work globally. To achieve synergistic advantages, corporate divisions must be more agile and competitive. The market prospects will be as infinite as possible because it is to have services where they can boost their profitability in a competitive environment, thereby increasing the capacity of the organization to respond to prospects worldwide. Leverage means reducing unnecessary duplication by standardizing and building efficiency and ultimately allocating resources from a mature successful market to an immature potential market, thereby optimizing resources, to increase the long-term efficiency of the whole corporate [4].

Five corporate strategy mechanisms that shape the core features of multinational companies' strategies, such as helping to discriminate between regional firms and foreign companies, Yip [5] has recognized. The establishment of a global business strategy calls for choices to be made according to these levers. The global strategy aims to optimize global efficiency increasing collaboration and incorporation in each of these aspects. Rhinesmith [7] advocates the features of a global corporate which are similar to Yip's [5] and whereby agreeing on the common issues that corporate in making global strategies such as a major share in strategic regions; standardization of product globally; concentration of global activities; uniform global marketing; and competitive moves globally integrated against competitors. Rhinesmith underlines the fact that a system involving processes analysis is a global policy. Key elements of a corporate strategy are the environment, trade, organization and its culture and employees, who must be seen as an interconnected operating community to maintain sustainability. Therefore, it is a major task to create a globally distributed enterprise that reaches economies of scale and is receptive to global consumers, while at the same time being capable of being agile in responding to the demands of local customers worldwide.

B. The Need for Global Leaders

Gregersen, Morrison and Black [3] surveyed human resources managers to find out how the Fortune 500 corporate responsible for the development of both the quality and quantity of their global leaders. For these organizations (108 in total) 85% have no satisfactory global leaders and 67% have indicated that their global leaders do not have acceptable global business leadership competences. They also noted that most businesses would need higher-quality global leaders in the future [3].

The fact that the global business environment has changed drastically also is recognized by Bartlett and Ghoshal [6]. Although they suggest that a single global leader is not the key to growth, but rather a network of highly qualified world leaders, it is important and essential to improving their competences. The trend is clear for Morrison [8], due to the accelerated globalisation of the past three decades; it is more important than ever for capable global leaders.
C. The Concept of Global Leadership

McCall and Hollenbeck (2002) agree that there is not a single type of global leader, with Bartlett and Ghoshal [6], but a large number of types and resolve that a global leader needs to cross over the boundaries between countries and cultures. Leader's approach to crossing country and cultural boundaries improves the identification of problems and calls for a change of his image, to better understand who he is [1].

Caligiuri [9] draws some observations that research on global leaders focuses primarily on international project management or expatriate management. He emphasises that expatriates are not the only ones to perform global leadership practices. Caligiuri states that there can be some domestic leadership operations but they also require the same leadership expertise as globally [9]. The distinction between domestic and global leaders as such is defined by Bird and Osland [10] that the work of a global leader needs adaptation to demands of greater complexity. They suggest that more knowledge, across national and functional boundaries and the frequent crossing both within and outside of businesses are the differing factors for global leaders. They also agree that the role of a global leader differs from the role of the domestic one in larger challenges due to greater complexities in the global environment, more uncertainty in decision making and the need to include more actors in the process of decision making and process of acquisition [10] is different.

D. Global Leadership Competences

In developing leadership skills for people and corporate, Hollenbeck [11] highlighted the role of comprehensive competence models. They review the experiences of practised leaders' expertise and outline a range of valuable leadership attitudes, include internal learning contrivances and uses mechanisms to pick, improve and learn in different ways. It allows the organization to express the leadership attitudes that are critical to its growth and to evaluate its leaders' performance in par with the objectives and goals of the organizational strategy [11].

E. Competence Frameworks

A detailed description of good task efficiency is given by Boyatzis [12]. Specific results required by the task can be achieved through specific measures while maintaining or being in compliance with corporate policies, procedures and conditions. Specific knowledge, abilities and personal characteristics of an individual enable the specific actions and can, therefore, be called competences and more explained as a person's ability to induce into the task efficiency [12].
**Figure 2: Competence Dimensions of Boyatzis**

Boyatzis [12] provides two dimensions to the corporate competences. Various competences are specific to a leader associated with human attitudes and the ability to demonstrate them cauterized as the first dimension. Such traits are generally determined by the actions of the leader who shows distinguished productivity and are not special to a specific product or service of the corporate. Characteristics, on the other hand, refer to the function of the person's overall reaction to incidents. All of these may occur at a conscious and unconscious level.

A wider expertise concept is provided by Bird and Osland [10]. Their global competence structure highlights the global leadership process and is based on the four key global competences. The assertion is that there has been a cumulative advance in the development of these competence levels.

**Figure 3: Competence Structure from Bird and Osland**

- “The foundation level of the framework consists of global knowledge, the various types and depth of which leaders need to be effective. Bird and Osland [10] analyses the knowledge basis in four levels – know who, know-how, know what and know why.”
“The first level of the framework is the threshold traits. Bird and Osland [10] use the term ‘traits’ because of enduring nature of these personality characteristics in question, distinct from competences, which they define as abilities, skills and knowledge that can be acquired through experience.”

“Level two of the global competency model consists of the attitudes and orientations of the global leaders.”

“Level three of the competency model deals with interpersonal skills. Bird and Osland [10] argue, that two of the importances of these competences are mindful -communication and creating and building trust.”

“The top level of the global competency framework is called the systems skills-level. It consists of three system skills that are boundary spanning, creating and building community through change and ethical decision-making.”

The results of the so-called Big Five traits forecasting the achievements of expatriate managers are analyzed by Caligiuri [9]. Several general core traits can be learned from this, which often forecast global leaders’ performance and not just ex-pats only. The traits of the Big Five are:

- **Extraversion** refers to the degree to which a person achieves sociality and how a person navigates to achieve success in the social world.
- **Agreeableness** refers to a person's ability to form interconnected social connections.
- **Conscientiousness** refers to build trust within a corporate by being sincere, therefore providing the chance to achieve status, become a leader, receive promotions etc.
- **Emotional Stability** applies to how individuals deal with work situational stress.
- **Openness or intellect** refers to the ability of the individual to correctly evaluate the social environment in which he is present.

**F. Global Mindset**
Global Mindset is considered to be an important element in global leadership competences. Gupta and Govindarajan [13] observed in general that global mindset combines tolerance to change and knowledge across cultures and economies with the desire to synthesize this change.

As a way of life, a global mindset for Rhinesmith [7] that helps a corporate leader to see what others are not doing. Rhinesmith also recognizes that to become an efficient global leader, one needs to be more foresighted, study and modify existing attitudes. He continues that global mindset assumes global business environment as a sandbox and a classroom for corporate world for lifelong learning. It pivots to the important idea of developing a global mindset. For a global leader, Rhinesmith classifies six competences to excel and splits them into three categories – strategy, corporate culture and people. Understanding these six attributes and cultivating them, pave the way to become a competent leader globally.

G. Developing Global Leadership Competences

The creation of leadership in human resources has acquired increasing prominence and has been emphasized as an integral part of the strategy formulation process. For McClelland [14], if the corporate pursues the development of leadership as just training process can provide no advantage for the corporate. He suggests that introducing strategic leadership development projects, including top management, moving the emphasis from individual to organizational efficacy, inventing readily available competences, skills and expertise, defining internal tools, and connecting growth initiatives with corporate strategy [14].

H. Models of Competence Development

According to Caligiuri [9], it is important for leaders to efficiently carry out global leadership tasks and activities, offering the right people (who have the necessary personal skills) appropriate development opportunities. Offering individual training growth strategies can boost performance in global leadership challenges, she adds if there are fairly constant attributes of base-level personal traits of a global leader. Training is also a wider emphasis which is relevant to upgrading organizational capabilities to satisfy potential business needs, with curriculum focusing on particular employee shortcomings, enhancing unique competences which concentrating more on concrete facets of performance enhancement.

I. Three Types of Developmental Interventions for KAO’s of Caligiuri

Knowledge Background
- Worker oriented job analytic approach – a certain set of knowledge, skills, abilities and personality characteristics are present in those perform a given job well [15].
- This suggests that successful global leaders are likely to possess some common knowledge, skills, abilities and other personality characteristics (KSAOs) [9].
**Result Caligiuri (2006)**

Different inventions should be used according to different KAOs.

- **Knowledge** – Didactic learning opportunities: books, cross-cultural training courses, diversity training, e-learning, language classes.
- **Skills and Abilities** – Experimental Intervention: cultural immersion programs, language immersion, coaching, mentoring, attending global meetings and working on global teams.
- **Personality Characteristics** – Intensive Experience: international assignments, life-changing experiences, salient no-work cultural experience.

Based on their study of over 100 corporate involved in global leadership development activities, Black, Morrison and Gregersen [2] have shared their belief that world leaders are being born and then created. They identified four approaches upon proper execution can nurture global leaders. These include travel, teams, training and transfers. The 'Four Ts' are proven strategies and resources to optimize the capabilities of people with high capacity and not a standardized means of making anyone a successful global leader [2].

*Figure 6: Four Ts – Black et al.*

3. METHODOLOGY

The veracity of the nature of the research topic prompted for the qualitative approach. The approach to classifying interviews on the topic of global leadership competences using qualitative approach instead of quantitative ones is more fitting because it provides greater attention and reaction to the issue, not narrowing the selection of potential responses, as it would be if the research were performed quantitatively. This observational research sought to evaluate the global leadership competences in practice and compared them with the outcomes of the review of literature.

For Rugman [16], there are not so many genuinely global corporate around the world. The spectrum was expanded to three continents to locate a possible corporate and participants. The objective of this qualitative research was, as described above, to identify the competences - expertise, skills, abilities and personalities that are in practice considered to be most important in global business. Semi-structured interviews with individuals of various global corporate have achieved this.

**A. Data Collection**
Considerable experience and actively serving in top managerial position were the key requirements to be interviewed so that they have appropriate and extensive knowledge of global leadership competences. The principal goal was not to explore the global competences that apply to their daily jobs but to figure out, based on their practical background, what were the most important competences for global leaders. Ten interviews were conducted with the participants possessing diverse backgrounds and executing global functions from their top managerial positions. There were 15 questions divided between 3 sub-categories:
1). Questions regarding leadership competences,
2). Questions regarding development approaches and
3). Questions regarding global and local dualism.

4. DATA ANALYSIS

The interviews were word-for-word transcribed to better compile everything said for analysis and interpretation of the results. This was also undertaken to ensure that no sensitive material should be used in the review process, including instances which might expose the true importance of the response.

As noted above, there were three subcategories of questions. For the purpose not only was the interview organized, but even the data analyses process explained in detail. The first subcategory comprised of questions regarding the competences that are important to global leaders. It was aimed at finding out from the interviews the key competences for global positions.
The second category centred on the opinions of respondents on the most successful ways to enhance these competences and the last subcategory focused on figuring out the opinions of respondents on global and local dualism to figure out whether a position is to be decided where the local turn into global.

A. Findings from the Interviews

Global Leadership Competences

What category according to the participants are the most important global leadership competences falling into?
Personality traits were a very straightforward answer from each of the respondents with no wavering. Personality traits and abilities that include soft skills were more closely related to global positions than technical expertise, that the participants believed could be learned quickly and anywhere.

What are the factors that make a role or a position global?
The factors chosen were systems, responsibilities and interpersonal networking should be global. Universal issues were specific to the corporate, but not to the country in which it is located, one of the global roles concerned. However, these systems are typically standardized globally. Another big consideration in terms of the participants’ global position was the handling of diverse cultures.
Among the first to be mentioned in each interview, there are three personality characteristics that the participants felt to be the most important competences of global leadership. These were openness, flexibility and sensitivity towards other cultures. Regarding openness, it was observed in general for global roles and in particular for cultural aspects.
The interviews established openness to other cultures as a crucial facet and were extended to the aspects of cultural sensitivities and respect for other cultures. In this opening to culture, an interview added that a global leader must be open to other cultures to take other cultures seriously. In this openness to culture, one participant added that a global leader must be open to accepting other cultures critically.
In the course of the interviews, the concept change was described as one of the main features and atypical situation in the global corporate sphere. Responsive to change, a global leader viewed new problems and circumstances as very important avenues.
For global leaders, flexibility was seen as one of the most important features. Global tasks require unpredictable scenarios and ambiguities according to participants; hence flexibility was established as the key competence to cope with the stress caused by these scenarios. The interview also highlighted general communication skills, especially in multicultural situations. The foreign experience of the applicants was another requirement that the respondents tried in the hiring conditions. For candidates at least, the minimum prerequisite was to show an interest in understanding other cultures. The participants considered interestingly that the applicant lived or at least travelled ideally many countries as a further value.

Proficiency, in general, was warranted for its specific strengths, for instance, to be able to pursue think out of the box approach and to objectively assess the corporate processes based on the technical skills and knowledge generated by the individual's previous experience. Interpersonal relations and networking, the participants considered relevant. Out of this networking was considered important competence for global leaders by the participants. When building networks, the same competences that were mentioned earlier, such as cultural sensitivity, flexibility and communication were considered important, but few other competences were also acknowledged.

A considerable number of participants indicated that it's very important to be able to start communicating with various types of people in different circumstances and also serve as a conversation bridge for people of other cultures besides being good listener and communicator. While not listed in the review of literature it was clear that the participants shared their opinion on motivating factors in the global business whether they recognized issues that motivate people who seek global leadership positions or mapping/surveying/developing of motivation by the corporate was essential. Elements such as lifelong learning, exploring new developments and facing uncertainties were some of the challenges global positions but on par motivating people who seek global roles in different contexts. Varied answers received from the participants for the question of whether leaders would motivate people or not as a part of corporate developmental programs.

B. Developmental Methods

Since the participants’ views on the most important skills for world leaders, they now research what were the most successful approaches of learning for those competences. When listening to the opinions of interested parties on the vital competences of global leaders, the most successful ways of developing these competences need to be looked at. In practice, it is appropriate to review this assumption and ask the development part of the interview to see if this level was easily identifiable if candidates have global leadership competencies at a sufficient level.

Surprisingly, those interviewed thought it was not easy to identify this adequate level of global leadership competences. The participants in Toto expressed that to some extent a level of this kind could be identifiable. But, because every global role is unique and for each of these required different competences; it depends on the requirements of the position and the person to determine a sufficient level. According to the respondents, the disparity in the measurability of competences was what makes the overall evaluation of the appropriate standard difficult.

Throughout the interviews, there was a clear agreement as to which skills were the most difficult to enhance. It should be noted that by developing competences in this research, efforts and initiatives taken within the context of the corporate. All the respondents agreed that personality traits and so-called soft skills were the most difficult to develop. The closest one gets to the key personality traits to enhance could understand the harder they were.

There was broad agreement that inducting into global work was the most successful way to improve global leadership competences. All respondents showed that involvement in global projects was the most appropriate learning methods for global competences; some of them even supported the sinking or swimming style to face global challenges. Of course, theoretical training and traditional education were regarded as a good start, but for gaining global leadership competences, live project experience was considered as the most significant learning environment.
Some of the participants expressed that a good way enhancing abilities and competences was by adapting to a developmental tool i.e., learning from others. Living with others was considered a good opportunity to learn. Through trying innovative strategies and widening one's point of view, learning from colleagues was seen as a constructive opportunity to improve one’s knowledge. In addition to learning from peers, mentoring was considered as an efficient way of developing global leadership competences.

In the process of enhancing global leadership competences, two factors were considered crucial according to the participants. First appropriate was to determine the duration of time needed to induce a mere level of competences at which a leader was able to manage the global role. Second, increasing the scope of competences to the higher level at which a leader was able to deal global role successfully in a global environment. Many participants also agreed on all that rested on the individual, job and the corporate. The problem in this question was that the starting points and difficulties in the measurability of competences themselves were difficult to describe. What are the competencies that corporate today focus their developmental efforts to? Competences related to the change management were the most common response from the participants. Improving the expertise of its leaders by the corporate in dealing with change management was the biggest driver in the global market. Therefore it's an important competence for global leaders to act appropriately in a constantly changing business environment.

5. CONCLUDING REMARKS

What are the most significant competences for global leaders? was the key issue in this research. A review of the literature of global leadership competences and interviews with global corporate leaders were studied. The core results of this research were the major global leadership qualities linked to the traits of the person. Openness and flexibility, both in the review of the literature and with the participants, were two of the most key competences in this category. Curiosity was also considered an imperative feature. The literature defined a feature of the personality called global mindset, but this was not verified in the empirical research, since the mixture of all major talents, in particular, the knowledge, abilities and traits of the personality was considered as significant. It was also defined as necessary to be able to deal with ambiguity and intricacy. Certain competences which could be classified as skills were essential for building partnerships and the ability to work efficiently in matrix projects in this research. Capacity to communicate and to collaborate with other cultures were also identified as critical but, according to the review of literature, they may also be categorized as one of the most significant competences in both theory and practice as curiosity and openness to other cultures were identified. Interpersonal networks, personal efficiency and change management competences were also rated as strengths and defined both in literature and in the empirical research and recognised as essential competences. Competences classified as knowledge, especially in empirical research, were also emphasized as important to global leaders. Professional experience and proficiency and networking according to literature were the key competences in this category, but besides the empirical research stressed the importance of language skills and technological knowledge. The following table outlines the most important global leadership competences by category:
Figure 7: Summary of Global Leadership Competences

At first, it was clear that personality traits were the competences which have been identified as being the most important for global leaders. The most productive approaches, such as foreign assignments, intercultural interactions and certain life-changing activities in acquiring abilities correlated with characteristics of personality. Skills and abilities were perceived as little easier, but still difficult, to change than the previous. Global events and teams, as well as coaching and mentoring, were the key approaches to improve these skills. It was seen as an easy way to change one's knowledge-related abilities. Interventions to improve a global leader's knowledge-based competences may provide many more conventional educational resources, such as books, training and research.

6. CONFLICT OF INTEREST

The author confirms that there is no conflict of interest to declare for this publication.

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