

training

How To Develop Your Global Leadership Pipeline

February 26, 2010

By Sheila Madden

Strong leadership is an undeniable "must have" for organizations to execute goals and stay competitive. Companies are growing globally at a faster pace over the past two decades than most organizations are prepared to handle, and many organizations already are behind the curve in global leadership infrastructure. Your C-level executives may be global-business savvy, but are your mid-level and front-line managers developing skill sets that will ensure they can handle the future demands of a globally integrated enterprise?

According to a 2009 Center for Creative Leadership (CCL) research study, 86 percent of senior executives say it is "extremely important" for them to work effectively across boundaries—including geographic boundaries—in their leadership role, but only 7 percent think they are "very effective" at doing so. Only half feel their peers are effective in this area, and their faith in middle and entry-level managers is even lower (19 and 8 percent respectively).

The development of global leadership skills across all management levels is not just a personal development training initiative; it's a key business strategy in today's marketplace that directly impacts an organization's success. A recent study by the Aberdeen Group suggests learning and development initiatives that help leaders achieve both business results and people results can have a huge organizational impact. The study applied three key performance criteria to differentiate the "Best-in-class" from "Industry Average" and "Laggard" companies regarding efforts to develop front-line and mid-level managers. "Best-in-class" companies generated 35 percent year-over-year improvements in manager ratings and 27 percent improvement in key employee turnover, and 69 percent of their employees rated themselves as "highly engaged."

In contrast, "Laggard" companies generated only 2 percent improvement in manager ratings and saw key employee turnover worsen by 6 percent each year; only 22 percent of their employees considered themselves highly engaged. (Learning and Development: Arming Front-line and Mid-level Manager to Deliver People and Performance by Mollie Lombardi, Oct. 2009)

Helping leaders to think and act globally

CCL suggests there are five development needs for strong global leadership (Developing a Leadership Strategy: A Critical Ingredient for Organizational Success, Global Organizational Leadership Development White Paper, May 2009). I'd like to build on each of these areas with some strategic and tactical approaches to strengthening your global leadership base:

1. Promote greater cultural intelligence among leadership ranks. Cultural "sensitivity" is visible in most of today's globally operating companies, but to have a business impact, it must take place within the greater context of maximizing individual potential and achieving business goals. The broader goal for effective leadership is cultural intelligence, which calls for empathy, insight and responsiveness to cultural differences while preserving curiosity, proactivity, and candor. Equipping your leaders with an understanding of varying cultural business practices will enable them to effectively lead and interact with diverse teams. Begin cultural training early in leadership development so cultural intelligence will be intuitive for leaders as they reach more seasoned positions.

2. Enhance the representation of different cultures at top organizational levels. To strategize and execute business goals globally, a company must build a leadership infrastructure that can understand cultural obstacles and develop collaborative solutions. Cultural diversity within management assures those areas of pain will be identified and resolved more quickly so teams can continue to operate at the high level of productivity necessary to sustain a competitive foothold. Management models that reflect the diversity of your cross-cultural workforce will empower your leadership to turn cultural differences into business solutions.

3. Enhance language skills in leadership roles to facilitate communication and increase productivity. To execute business strategies across borders, companies must use a common language. The most common adopted language of international business today is English, but studies suggest as few as 7 percent of employees in global corporations possess sufficient business English proficiency. Global communication requires leaders on both sides of the English skills gap to expand their skills to overcome language barriers and other communication challenges: non-native speakers must improve their English, while native speakers must learn how to adapt their use of English so they can be more easily understood by non-native speakers. Implementing a global language development program for all levels of management will help teams operate more productively and efficiently. Companies that are highly effective communicators delivered 47 percent higher total returns to shareholders over the last five years than the least effective communicators (2009/2010 Communication ROI Study Report: Capitalizing on Effective Communication).

4. Encourage foreign assignments for future leaders. Immersion is the fastest route to understanding a different culture quickly, and organizations can build global strength by employing it as a leadership development strategy. Consider fast-tracking the development of cultural awareness and advanced global business skills among your young leaders by relocating them globally early in their management careers. A culturally diverse perspective fosters more effective collaboration, innovation, decision making, goal setting, and project execution.

5. Develop a greater understanding of local laws and business arrangements. International legal expertise can no longer be left in the hands of lawyers and outside consultants; today's companies must develop that expertise in their own executive leaders. Globally positioned executives should be fluent in the business law practices and local variations of the geographic areas where they execute strategies to ensure alignment with local precedents and enhance your organization's competitive edge.

Invest in tomorrow's leaders today

Organizations must expand their leadership strategies to include the critical skills demanded by today's global business climate. The learning focus should be on developing globally savvy leaders who can make a direct impact on your financial bottom line and competitive market presence. Expanded development strategies cost money and require commitment from both the organization and the workforce to realize long-term ROI—but the investment pays off in a more qualified, effective global leadership team that drives expansion and revenue. To gain executive support for that investment, learning and development management must present these initiatives not just as talent management solutions, but as critical business strategies to meet the increasing demands on current and future global leaders. Only by committing to the right global development tools and training will your organization be positioned to continually produce the competitive business minds necessary for global success.

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