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**8 MYTHS ABOUT DEVELOPING GLOBAL
EXECUTIVES**

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Eight Myths about Developing Global Executives

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As companies strive to expand their reach from national to global enterprises, the limiting factor is more likely to be human rather than financial capital. The world is awash in funds for investment, but global executives to implement corporate strategies are in short supply. There is no shortage, however, of formulas, advice, and programs for developing the needed leadership talent. Unfortunately much of it is based on wishful thinking rather than the reality of international work.

Drawing on our research, this article will address some of the myths that surround developing global executives, from both the viewpoint of organizations and in the eyes of aspiring global executives. Our goal is to help both understand better the risks and rewards involved. Our arguments are based on our experience and research in the area,

which includes literature reviews (Hollenbeck 2001), interviews with executives and companies, and a research study that served as the basis for *Developing Global Executives* (McCall and Hollenbeck, 2002).

A word about our research, described in detail in Developing Global Executives. We conducted personal interviews with 101 global executives from 36 countries, who worked in sixteen global companies. We asked these executives for the “key events” that had developed them and the lessons they had learned. These interviews were a rich source of examples and stories, but perhaps more importantly they provided 333 key events from which the executives had gleaned 952 lessons that could be analyzed. In addition, the executives described 121 executive failures that they had observed.

Although our research is US-centric in the sense that both of us live in the US, we purposely strived to make this a global work. The great majority (82 of our 101) executives were from outside the US or Canada, and four of our five corporate research companies were non-US companies. Most global research is based on mailed surveys. Instead, we went to executives offices, wherever they worked, to get an “in situ” perspective. In addition, two graduate students who assisted with our data analysis were from India and Turkey.

We have organized this article into eight “myths” on which organizations and their executives mistakenly, we believe, base their thinking about developing global executives. We might add that many of these myths pertain to developing any executive, global or not, but in this article our focus is global.

Myth: Companies don’t really need global executives to go “global.”

Our files are filled with clippings and articles about companies that have gone global with disastrous results. Watch the business press closely and we do not doubt that examples will continue to appear across countries and industries, e.g., Walmart expansion into Argentina, GE into Hungary, Merrill Lynch into Japan, or Daimler-Benz AG into the US auto industry. One of our favorite *New Yorker* cartoons pictures the boss calling his subordinate into his office: “Grab some lederhosen, Sutfin. We’re about to climb aboard the globalization bandwagon.”

Most of our examples are American, but the problem is by no means uniquely American. Our studies, primarily of non-US executives, have found that companies from around the world and executives from any culture are not immune from the home-country centrism.

Having global executives alone will not guarantee global success, and there may well be companies who have succeeded using their domestic executives for global expansion. But our point is that organizations can eliminate some of the risks and some of the problems—they can increase their odds—by matching their executives with their strategy. Global strategies require global executives.

Myth: There is such a thing as “a” global executive.

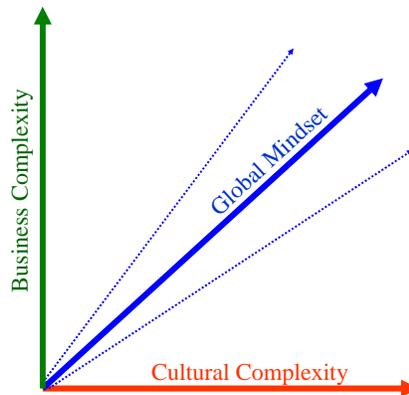
As we sought our sample of global executives, one of the first questions asked of us was “What do you mean by *global executive*?” As we began our study, in truth we weren’t

sure, so we turned the question back on the companies providing us with executives to interview: “you select ‘global executives’ as your organization means it.” As we continued our study, it became clear that there is no one “global executive”—there are as many types of global executives as there are global jobs. And, every one (both executive and job) is different!

There seems to be universal agreement that one defining characteristic of global work is complexity. Here is one of many examples we found, in the words of an Austrian executive working for an American company in Germany: “It is an order of magnitude simpler in domestic work. Selling a German product to a German client, everybody knows the boundaries. There is not much room to be very creative. Now, go to Saudi Arabia—then you have to use your imagination.”

We have conceptualized this complexity along two dimensions: Business Complexity and Cultural Complexity. Business complexity derives from crossing borders of business (functions, products, markets, e.g.); cultural complexity derives from crossing borders of

Figure 1. Global Complexity



cultures (although one country may have several subcultures, we usually think of country borders as proxies for cultural borders). The further out on either dimension, the more complex the job and the more global the job. All executives jobs (and hence global executives) vary somewhere along these dimensions. Although both dimensions contribute to complexity, crossing the borders of culture is fundamentally different from crossing business borders, as we will describe below.

Thinking of global jobs and global executives in this way has very real implications for how companies should develop their executives. If there are as many global executives as global jobs, “cookie cutter” approaches to executive development are doomed to failure. This is the danger of accepting the myth as fact. Every organization must examine closely what types of global jobs it has and, in turn, what types of global executives it needs. Development strategies can then be shifted to indeed develop the type dictated by the business strategy. Facing reality and rejecting the myth has downsides, however. One is that the costs of development go up quickly when we think of each job as requiring targeted skills that must be developed individually.

Myth: Global Executives are born, not made.

We are always amazed that senior business executives in a single 2-hour interview can begin by telling us “executives are born that way so there really isn’t much you can do to develop them,” and then follow with two hours of discussion of the details of how they personally have developed over their careers. We have yet to find ANY senior executive

who, looking back cannot find key events that shaped them into the executives they are today. *Developing Global Executives* is, in fact, based on 101 executives telling us in detail about their development.

We did identify a set of broad competencies which contributed to success as a global executive, and some of these no doubt have some hereditary basis. We probed for early events in their lives that may have either 1) influenced their choice of global careers; and/ or 2) influenced their effectiveness in the international arena. To our surprise, we found in each case that about half of our interviewees could identify important factors. An Indian in Singapore told us of an early influence that impacted his career: “My parents were highly influenced by education; they believed that things worked better abroad and they valued going abroad. It was put into my head that it was a good idea to go and see. And our business gurus had been overseas, so I wanted to do that. Another thing is that all my teachers had been abroad and encouraged us to do that.” Another executive, this one a Filipino in London told us of early experiences that he felt influenced his effectiveness: “My father ran a poultry farm and had eight children. He trained us to aim for the best, no matter what. He made sure we went to school on a staggered basis so we could help run the farm. All of us learned to combine activities. He did the bookkeeping and I learned from that.”

Although these examples are convincing, half of those interviewed could find NO early influences. An American executive in Hong Kong told us: “I grew up in Paris, Texas, where my grandfather ran a department store; there was nothing special, my first global job was just thrust upon me.” An Australian executive in Jakarta said, “My dad

was a policeman and my mom a housewife. We had a very strong family with great respect for education. My parents were horrified when I went to Brazil.”

The danger of accepting the “born that way” myth is that an organization will spend all its efforts seeking those who were “to the manor born” rather than developing the executives it needs. We are strong proponents of selecting the best one can find and capitalizing on any backgrounds that prospective executives may have but, all of our organizations would be woefully understaffed if they had not cast very broad nets in searching for those to give opportunities to experience global careers.

Myth: Developing global executives is no more difficult than developing domestic executives.

If global executive jobs are more complex, so is global executive development. But surprisingly, at least at one level, developing global executives and domestic executives is the same: across companies and countries and executives in a variety of industries we found that the *principles* of development were the same. The difficulty arises because of the complexity involved in putting those principles into practice when one moves from the domestic to the global organization.

To gain a perspective on that added complexity, compare the domestic model (McCall, 1998) presented in *High Flyers* with the global model (McCall & Hollenbeck, 2002). We won’t present these models here but, suffice it to say that when we sent the

global model to our editor at the Harvard Business School Press, he replied that it was a model “only an author could love.”

By accepting this myth and underestimating the difficulty of the task ahead, companies will under resource their efforts, find them unsuccessful and conclude, after all, “executives are born and not made.”

Myth: Programs can Teach Global Executives what they need to know.

In 1988, McCall and researchers at the Center for Creative Leadership published one of the most widely read volumes in executive development, *The Lessons of Experience*. In this book they argued conclusively that the lessons that make up successful executives (at least US domestic executives) come from experience, and most of that experience is in on the job not in the classroom. Most companies that take executive development seriously today, nearly 20 years later, give lip service to McCall’s research, but often they continue to answer “how should we develop executives?” by responding “send them to training programs.”

Training and education are crucially important for preparing executives, both to begin their careers and to maintain it, but the crucibles of experience (of which training is only a small part of the experiences) teach the majority of the lessons that must be learned.

We categorized our executives’ developmental experiences into 5 major types: Foundation Assignments (e.g., first managerial responsibility), Major Line Assignments (e.g., business turnaround), Shorter-Term Experiences (e.g., educational experiences or

special projects), and Perspective-Changing Experiences (e.g., Culture shock).

Compared to the range of experiences that teach, training programs, have a limited, although important role.

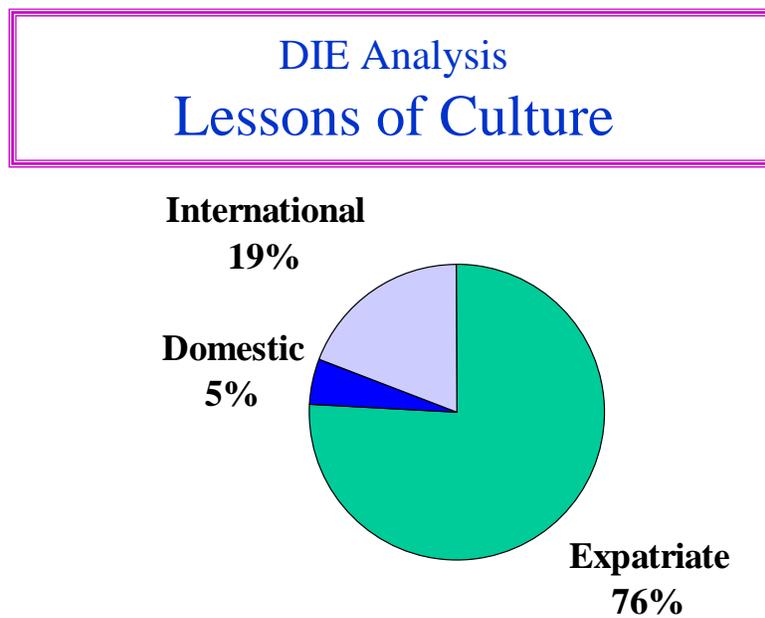
Myth: Learning to lead in a different culture, like any other lessons an executive learns, can be learned from extensive travel or at home doing international business.

This myth is wrong on both counts—culture lessons are different from other kinds of lessons, and they cannot be learned at home, wherever home is. One of our conclusions is that Bartlett and Ghoshal’s work on the “transnational executive” (1998) was correct in emphasizing the crossing of borders, but failed to recognize the fundamental difference between the borders of business and borders of culture. Crossing borders of culture cuts to the underlying values and emotional makeup of the person, resulting in the widely described phenomenon of “culture shock.” And one of the interesting things about culture shock is that, although people may experience it differently, no one is immune. And, the emotional upheaval that people experience when they encounter other cultures, whether crossing from Finland to India or from China to Australia, provide the unique quality of the lessons of culture.

Sending executives out to learn about cultural differences is uncertain and expensive, and quite naturally companies (and often executives) would like to teach their executives the cultural lessons at home. Our research enabled us to confirm our observations: we examined the lessons learned according to where the lessons were learned: were they learned when the executives were living and working in their home

country (domestic), living at home but working outside their home country (International), or living abroad and working abroad (Global). Figure 2 shows the differences we found—the lessons of culture were much more likely to be learned in the global rather than international or domestic situation.

Figure 2. Lessons of Culture



Expensive and risky though global assignments may be, we conclude that they are essential if a company wants and needs a truly global executive group.

Myth: With modern communications what they are, being a global executive is not really different than being a domestic executive.

Although our research data do not bear directly on this myth, our observations from both practice and the literature have convinced us that it is indeed a myth. Global jobs are certainly different than they were a century ago--if anything they are more complex and take a greater toll on the resources of the individuals and their families than they did before the wonders of modern communication. In *Developing Global Executives* we describe what it must have been like in the early 1900s for an expatriate and his family to arrive by steamship in Singapore for an assignment that was so far from the Home Office that it took months to send or receive news (and directives!). Certainly the problems are different in the 21st century as one arrives by jet plane at the Changi International Airport, and is met by a limousine that whisks one away to a new office and home, chatting on one's cell phone as they go.

But problems of adapting have not gone away—failure rates of expatriates have not gone down. Singapore is still a different culture than Sweden or India, and today the differences are more subtle because things may not seem so “different.” The primary cause of executive's early return from an expatriate assignment is still “the family” and the problems the family has adjusting to a new culture. A Canadian in Hong Kong told us of the wisdom of his boss's advice to “take care of your family.” He took the advice lightly until his boss said, “No, I am quite serious. TAKE CARE OF YOUR FAMILY.” With subordinates based throughout Asia Pacific, the executive soon realized that he must find a way to meet those needs or he too would risk an early return.

Accepting this myth uncritically leads executives and their organizations to operate with false expectations and to fail to accept or deal with the issues as they arise.

Myth: Once executives have global experience, they don't really have to worry about their careers.

In *Developing Global Executives* we devoted an entire chapter to building global careers. It is tempting to think that companies will “tap” executives to go global and provide the support and safety nets to assure that the executive succeeds. One of our surprises was how often just the opposites are true: if one wants a global career, one can't depend on it just happening; far more than on the domestic side, they have to be proactive in making it happen.

A corollary to this myth is that the company will provide the support and safety nets to assure that the executive succeeds. Indeed, corporate offices told us of the extensive training and support provided for executives moving into global jobs. In talking with the executives themselves, however, we heard a different story—the dominant attitude seemed to be “sink or swim.” The executives at least felt that they had to fend for themselves, find their own support, and build their own safety nets to prevent “free fall” when things went wrong—as they inevitably will.

We summarize in Figure 3 the advice our global executives suggested for someone seeking a global career. A theme running through that advice is the proactive

Figure 3. Advice from Those Who Have Done It:

- Develop your expertise
- Go Early
- Just Do it.. Take a Risk
- Be Open to Learning
- Focus on Business Results
- Don't confine yourself to business
- Maintain your networks
- Take Care of your family.

role the executive must take in becoming and succeeding as a global executive. Global careers offer excitement and independence not usually found by staying at home, but they also require a level of responsibility for oneself that one's compatriots who stay home will never know.

Beyond the Myths.

Einstein once suggested that we should make the world as simple as possible, but not simpler. One is wise to listen to Einstein, and developing global executives is certainly one arena in which his advice is spot on. Having debunked eight common myths, we are

left with a different reality when it comes to developing the leadership talent required by a global organization:

- 1) Global companies need a certain number of key executives who have the necessary experience and perspective to understand doing business across cultural boundaries.
- 2) There are many different kinds of executives who do global work. It is critical to have the right numbers and the right kinds of executives given the strategy of the organization. The strategy determines, for example, how many expatriates might be needed and what their role is, or to what degree domestic executives need international perspective, or how many third country nationals are needed for what roles.
- 3) Global executives, like other executives, develop the skills they need. Many who seek out global work are inclined by earlier experiences to do so, while many are not. But inclined or not, the skills are learned from experience.
- 4) Development is driven by the same underlying principles, whether the purpose of it is global or domestic. However, the added complexity of global work requires greater commitment of resources and attention to the development process.
- 5) Programs and training can be valuable sources of learning, but learning to lead, and especially learning to lead across cultural boundaries, is taught in the school of

experience and not in the classroom. The real challenge is in identifying what experiences are relevant and in getting the right people into the right experiences at the right time.

6) Learning to lead effectively in cultures other than one's own comes from doing it. There is no substitute for living and working in another country. People who have traveled extensively or done international business from the home country often believe they understand cultural differences, and that makes them dangerous.

7) Cell phones, teleconferences, and the internet make global jobs 24/7 and sometimes seduce expatriate executives into believing that they are still at home. But failures among expats remain common, and the stress on the family remains significant despite the "flat world" that has evolved. Going out and coming back remain serious challenges.

8) It is a mistake to believe that one's career will take care of itself, whether one seeks domestic or global success. Indeed in global work "out of sight, out of mind" is a much starker reality and must be carefully managed.

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