

Global Leaders Need a Different Way of Being Smart

- by Jack Keogh

Executives tend to be an anxious bunch of people. Their collective anxiety tends to drive “management fads” to deal with perceived dangers and to gain competitive marketplace advantages. Two of the hot topics in today’s workplace are “globalization” and “leadership.” When we join these two concepts, we come up with the concept of “global leaders” - giving rise to a whole new concept to ponder. Is there such a thing as a “global leader?” If there is, what characteristics do they exhibit? How do we identify them? How do we feed and nourish their development? How can I develop my personal profile as a “global leader”?

Most experts are agreed that a key component of leadership is “strategic thinking,” which, of course, needs to be complemented by the ability to carry out or implement the strategy. A second frequently cited skill is “vision,” which is considered to be a critical leadership capacity. So, we have two components; the first related to cognitive capacity, and the second related to what we now know to be “emotional intelligence”. We also need to consider an international variable: does our culture affect our leadership style?

Let us consider whether our culture influences our understanding and leadership style before we come back to the topic of intelligence.

By culture I mean the characteristic behavior, which defines a group of people and is the result of their sharing the same set of values, beliefs and assumptions. Of course, we must remember that our shared values, beliefs and assumptions are influenced by the history, religion and geography of where we grew up. I am from Ireland, a relatively small island with a damp climate and a long history where politics and religion have been intertwined. In contrast, a Mexican is from a region in the new world, bordered on the north by the most affluent country in the world and to the south by the countries of Central America. Mexican culture is shaped by a range of climates and by a long history including pre-Hispanic civilizations, Spanish domination and the resulting mixture that is contemporary Mexico.

Obviously what we each value - Irish and Mexican - shapes our respective behavior. The forces of history, religion and geography clearly play a large role in determining what our values and beliefs are as a people. Our educational systems serve to reinforce our basic values and resulting culture. “Deep” culture does not change quickly, and people who have not had the opportunity to live outside their national culture are very often unaware of the nature of cultural differences. So how exactly does culture affect leadership?

Culture influences our notion of leadership and helps determine whether the style is participative or autocratic. In countries like Japan, Holland and Scandinavia, leadership style involves consensus. Some Latin and Anglo Saxon countries tend to favor a more charismatic style of leader. Other countries - Russia and Saudi Arabia are good examples - tend to favor a style based on centralized decision making. Hence, perhaps the first attribute of a “global leader” (in addition to commonly

accepted notions of what makes a leader) is a keen understanding and deep respect for cultural differences.

In the practical world of international business, this ability to understand and respect differences is necessarily tied to the ability to reconcile the ethical dilemmas that can result from cultural differences. Business problems can be solved. Dilemmas, on the other hand, need to be reconciled. As long as we manufacture in low wage environments and sell the resulting products in high wage markets, we will be faced with culturally derived ethical dilemmas. So, can one be a global leader without knowing all the answers to cultural dilemmas?

A leader who truly understands and respects the dynamics of cultural differences will quickly become aware that a “global leader” knows - and accepts - that he or she does not have all the answers. This is the second important attribute of our international leader. This new breed of leader must know how to learn from their associates - and they must “learn to learn” in different cultural environments. Each day, the global leader has to ask: Where am I today? Who am I talking to? How can I be most effective here? Getting the right answers to these questions requires a well-honed ability to pick up on all the clues offered by the new international environment.

Which brings us back to the notion of “emotional intelligence” - sometimes referred to as EI. Emotions contain data and provide an indispensable foundation for global leadership skills. But where does emotional intelligence come from and how can leaders learn to use it?

Research is leading us to a more scientific understanding of emotional intelligence and helping us separate the “management fad” (for instance, the notion that emotional intelligence is a greater predictor of success than cognitive intelligence) from reality. Investigators believe that perhaps 10% - 20% of “success” is attributable to cognitive intelligence (IQ). Emotional intelligence is an important component of the remaining 80%- 90%. But no one is quite sure what that exact percentage is. What we do know is that emotional intelligence is not just a loose collection of personality traits. That flawed notion is what led to the first exaggerated early claims of the overriding importance of EI. Nor is excelling in emotional intelligence the only way to be a leader. For instance, a brilliant financial strategist who knows how to leverage the markets and maximize profits may very well attract a devoted following without ever establishing personal connections.

What is the new scientific view of EI? The scientific view - based upon a decade of research and theorizing by psychologists Jack Mayer and Peter Salovey, the originators of the theory of emotional intelligence, is that EI is the ability to accurately perceive your own and others’ emotions and to understand the signals that emotions send about relationships. Equally important is the ability to understand and manage other people’s emotions. This is an understanding based on measurable skill, which defines emotional intelligence as the ability to reason with and about emotions. Emotions influence both what we think about, and how we think. Decisions made “unemotionally” simply do not exist, and we are fooling ourselves if we act as if this were not true. The challenge for the global leader is to leverage the power of emotions in order to lead others to superior work

performance and to do this across cultural and national boundaries. True leaders can connect with a variety of people in different contexts - not just in their own culture or in their own company. So how do global leaders connect?

Global leaders know that emotions contain data and information about themselves, other people, and the world around us. Hence emotions assist us in thinking and making decisions. Emotions are not chaotic - we can learn to understand them and, once we understand that they follow certain rules and patterns, we can learn to predict emotional outcomes and progressions. Global leaders are especially open to the information transmitted in emotions no matter how uncomfortable they may sometimes feel, because they are aware of the power of "emotional contagion". They know that the leader's "mood" affects the emotions of others and that this contagion works both ways, providing critical data points for decision-making. Above all, leaders know that the ability to develop and sustain interpersonal relationships is perhaps THE key to international success and without emotional intelligence this is not easy to do. At this point, we are ready for a final question:

Now that we have considered the importance of strategic thinking, the ability to understand and reconcile cultural dilemmas, the ability to constantly learn in new environments and the power of emotional intelligence in cultivating interpersonal relationships, have we identified the key attributes of the global leader?

I think so! Sure, there are many more nuances to the concept of leadership that we have not even touched upon. However, globally successful leaders are particularly aware of the power of relationship building, reading people, and being aware of their own emotions. My experience suggests that training, which, in my view, must include one on- one coaching, feedback, and self-directed development, can enhance global leadership skills. Business leaders mostly talk about these skills in non-academic terms. They refer to the power of relationships, self-confidence, self-control and the ability to "read people" as being key to their international success. They especially value assistance and tools that allow them to extract ongoing learning from their day-to-day living and, especially, their cross-cultural experiences.

All that remains for us, if we wish to develop as global leaders, is to continue to develop the abilities we have just discussed in our day-to-day living. Whether we like the idea or not, as leaders, we have to learn to manage the mood of those entrusted to our stewardship. In order to do this on the global stage, we need to deepen our awareness of cultural differences, humbly accept that we do not have all the answers, and be willing to learn from our "followers." Then we need to compassionately use our understanding and ability to manage emotions to inspire ourselves, our people and our organizations to superior performance.