



---

---

## Global Leadership and Implications for Organizations

**Ekpen T. Owie, Ph.D.**  
Reformed University  
Lawrenceville, Georgia.  
United States  
**E-mail:** [ekpenowie@gmail.com](mailto:ekpenowie@gmail.com)  
**Phone:** +1470-253-8843

### ABSTRACT

Leadership is an important topic given the role leaders play in the success of organizations. Leadership at the global level is particularly significant in light of globalization that is driven by information and communications technology (ICT). As a result, leaders must adapt to cope with the complex, dynamic, and unpredictable global business landscape. Thus, the imperative for organizations becomes the development of global leaders with the right skills, competencies, and abilities to navigate the global business environment. Likewise, the development of global teams that support global leaders to succeed is crucial.

**Keywords:** Global leadership, globalization, information and communications technology, competencies, global teams.

---

#### iSTEAMS Multidisciplinary Conference Proceedings Reference Format

Ekpen T. Owie (2019): Global Leadership and Implications for Organizations. Proceedings of the 20<sup>th</sup> iSTEAMS Multidisciplinary Trans-Atlantic Conference, KEAN University, New Jersey, United States of America. 10<sup>th</sup> – 12<sup>th</sup> October, 2019  
Pp 1-8 [www.isteam.net/usa2019](http://www.isteam.net/usa2019) - DOI Affix - <https://doi.org/10.22624/AIMS/iSTEAMS-2019/V20N1P1>

---

---

### 1. INTRODUCTION

Globalization is a unique phenomenon that has had and continues to have an impact on the ways businesses in all its forms are conducted and shaped economies around the world. Globalization has facilitated integrated and interdependent economies through cross-border exchanges and resulting in an improved standard of living (Hill, Schilling, & Jones, 2017; Rothaermel, 2019), but not for all (Cabrera, 2012). According to Panarin (2014), globalization as a dynamic process is the "development of a united interrelated world where protectionist barriers that restrain nations' communications and protect them from chaotic external influences do not separate them from each other in matters of mutual benefit" (p. 229). In other words, globalization has broken down barriers that hitherto limited mutual exchanges. In the same vein, Ali (2001) defined globalization as a philosophy that drives the integration of the world through the exchange of goods and services. That is, globalization is the belief that fuels cross-border transactions.

This global phenomenon is driven by information and communications technology (ICT) that has decimated physical and geographical boundaries. This digitization driving globalization has created a global marketplace where individuals or corporations can quickly get information and collaborate to develop novel solutions (Brynjolfsson & McAfee, 2015; Rothaermel, 2019). Wilson (2004) noted that this global trend could only continue to birth emerging leadership approaches exemplified by horizontal forms of organizing. Additionally, Ricart, Sieber, and Svejnova (1999) echoed similar sentiments and pointed out that globalization has spurred organizations to move away from the traditional hierarchy to flat and flexible structures for cost efficiency.



The discussions above imply that as globalization driven by information and communications technology (ICT) continues to evolve, leadership paradigms and practices will also need to change as well. As Hirt and Willmott (2014) pointed out, new business models, innovations, the cost of market entry, and economies of scale have been enhanced by ICT. As such, organizations are exposed to loss of market share and overall profitability due to the increasingly competitive and dynamic business landscape. Notwithstanding, globalization and technology are driving outsourcing of some organizational activities (Graf, Schlegelmilch, Mudambi, & Tallman, 2013) as well the realization by the leadership of organizations that their firms are now beyond the hitherto traditional and reclusive bureaucratic entities (Osborn, Hunt, & Jauch, 2002).

Therefore, the imperative is the rethink of global leadership paradigm and the development of global leaders to tackle the challenges of managing in the global landscape that consists of diversity in all its forms for organizational effectiveness and success. Further, in dealing with developing global leadership, it can be easy to embrace the myopic view of the emphasis on leaders alone while paying less attention to the teams that support the leader to become successful. Thus, in this paper, I examined global leadership, leadership development, as well as global team development as a platform for developing effective future global leaders.

## 2. GLOBAL LEADERSHIP

Global leadership is a crucial leadership discipline. Leadership on a global scale involves complexities, with attendant transformational impacts on leaders (Mendenhall et al., 2017). According to Dunn, Lafferty, and Alford (2012), global leadership involves the capacity to lead diverse sets of people and organizations with unique talents across different societies to achieve success. Similarly, Adler (1997) described global leadership as the ability to inspire and influence people from different places in the world. Dunn et al. (2012) also noted that the global leadership concept does not delineate leaders based on position but focuses on the collaboration of people directly or indirectly involved in the global marketplace for effectiveness.

Mendenhall, Reiche, Bird, and Osland (2012) pointed out that various scholars have defined global leadership in terms of state and process that lack precision and scope. Based on the multiple definitions of global leadership, Mendenhall et al. (2012) conceptualized the definition of global leadership as “the process of influencing others to adopt a shared vision through structures and methods that facilitate positive change while fostering individual and collective growth in a context characterized by significant levels of complexity, flow and presence” (p. 500). This definition by Mendenhall et al. (2012) emphasizes global leadership as a process in a complex and dynamic globalized landscape, which underscores complexity. As Dunn et al. (2012) pointed out, global leadership theory can be used to view effective leadership in the context of complexity theory. Based on these descriptions of global leadership, among others, the common theme is global activities and interactions. Thus, global leadership is about leadership on a global scale that involves coordinating interrelated and interdependent activities as they were.

A critical element of global leadership theory is intercultural interactions. Global leadership theory is about dealing with other people across the globe with diverse cultures as against the sole interaction with people of similar cultures in a home country (Adler, 1997; Canals, 2014). Hence, the essence of global leadership theory is the management of diverse people, institutions, and communities in an interconnected dynamic, complex, and unpredictable business environment (Dunn et al., 2012). In this regard, intercultural competence is a critical aspect of global leadership (Mendenhall et al., 2017).

Nonetheless, multinational corporations are yet to utilize the imperatives of diversity in global leadership theorizing fully. According to Reiche (2015), multinational corporations are yet to take advantage of the integrative approach of global leadership to drive local knowledge on a global scale through diversity. The issue for multinational corporations has been that of ethnocentrism in their internationalization operations and processes (Reiche, 2015). Although multinational corporations like ABB, Nestle S.A., Bekaert among others drive and benefit from diverse global leadership, only 13% of fortune global 500 corporations have non-native CEOs while 15% have non-native global management team members (Ghemawat & Vantrappen, 2015).

### 3. GLOBAL LEADERS

Global leaders play essential roles for organizations. According to Caligiuri (2006), global leaders enhance a multinational corporation's competitive advantage, given their strategic tasks. Caligiuri and Tarique (2009) defined global leaders as "high-level professionals such as executives, vice presidents, directors, and managers who are in jobs with some global leadership activities such as global integration responsibilities" (p. 336). This summation is similar to Canals's (2014) definition that any senior manager who has the task of making technical and business decisions at the international level can be considered as a global leader.

Leading on a global scale, whether as an expatriate in a foreign country or coordinating international activities from a home country for effectiveness, is what global leadership is all about. Adler (1997) noted that people who can significantly influence the global leadership process and interact with others worldwide are global leaders. A global leader is "an individual who inspires a group of people to willingly pursue a positive vision in an effectively organized fashion while fostering individual and collective growth in a context characterized by significant levels of complexity, flow, and presence" (Mendenhall et al., 2012, p. 500). As Dunn et al. (2012) noted, a global leader should be capable of inspiring individuals, institutions, and societies. Thus, a global leader's vision should be broader than the conventional country-specific type and must be adequately articulated to all stakeholders across the globe (Adler, 1997).

Notwithstanding, Canals (2014) questioned some of the assumptions about global leadership that define the functions and competencies of global leaders vis-à-vis the dominance of cross-cultural differences as a critical factor, the delineation of global from local competencies, and the variation of leadership functions across countries. Canals (2014) argued that the issue of cross-cultural differences is more about the complexity and ambiguity it creates in the decision-making process and that the task of global and local leaders are valid across cultures but limited to the extent of the complexity and uncertainty of the decision environment.

Caligiuri (2006) highlighted tasks that are unique to global leaders vis-à-vis working and interacting with colleagues and internal/external clients from other countries; speaking different languages and managing people from diverse cultural backgrounds; negotiating with and managing foreign suppliers and vendors; and developing a worldwide strategic business, budget, and risk management plans. In the same vein, Canals (2014) asserted that the functions of global leaders cut across giving meaning and purpose to the organization at a global level; creating broad strategic and execution plans; integrating the multidimensional and multicultural units; and developing future leaders. These descriptions of the roles of global leaders are interwoven as they relate to management on a global level. It is noteworthy that Canals (2014) included the development of future global leaders as part of the role of global leaders, which is vital for successful succession and sustainability.

#### 4. COMPETENCIES

Leaders must be capable of carrying out their global tasks. Bird, Mendenhall, Stevens, and Oddou (2010) proposed a framework of intercultural competencies that shape the effectiveness of global leaders. The framework includes three factors, namely, perception, relationship, and self-management. A competent global leader should be open and tolerant of other cultures, relate to others at an emotional level, as well as understand and manage his/herself. An essential aspect of Mendenhall and Osland's (as cited in Bird et al., 2010) cross-cultural relationship skills with the attendant traits and values that have implications for practicing managers, involves relationship building, cross-cultural communications skills, inquisitiveness, curiosity, and continuous learning.

The global business landscape is made up of people with diverse cultures and perceptions. Effective global leaders are knowledgeable about various cultures and are willing to learn and adapt to different situations (Cabrera, 2012). Therefore, global leaders and managers must possess the openness to experience and extraversion personality traits to be inquisitive and curious about the culture of others and put aside ethnocentrism. As Caligiuri and Tarique (2009) found in their study, extraversion characteristics are critical for effective cross-cultural leadership. With these traits, a leader can effectively communicate with others and build tight-knit relationships with global teams and partners for seamless operations and organizational success.

In the same vein, Canals (2014) put forward a global leadership competency framework that reflects the reality of a global leader's activities. The framework comprises of knowledge (political, social, economic, cultural information), capabilities (problem-solving, complexity management), interpersonal skills (communication, emotional intelligence, teamwork), and attitudes (self-control, self-awareness, integrity). For global leaders, the relevant knowledge and skills are vital competencies for a global mindset (Cumberland, Herd, Alagaraja, & Kerrick, 2016).

Canals's (2014) framework is closely tied to Caligiuri's (2006) framework for understanding global leadership competencies and development. Caligiuri (2006) as part of the framework for global leadership competencies and development proposed knowledge (culture, business), skills (language, negotiation), ability (problem-solving, intuition), and personality characteristic (Big Five traits) factors. Overall, these descriptions of global leadership competencies share common themes such as knowledge, relationship, and character. The underlying assumption is that any individual that possesses such competencies can potentially be an effective leader (Biermeier-Hanson, Liu, & Dickson, 2015). Given all these, one can conclude that global leaders must have a lot of information at their disposal, be emotionally intelligent, solve problems, and be open and non-judgmental towards others to be successful.

#### 5. DEVELOPING GLOBAL LEADERS

Leadership development is important to enhance leadership effectiveness and organizational success. Caligiuri (2006) proposed didactic learning programs, experiential opportunities, and intensive experiences along the lines of knowledge, skills, abilities, and personality characteristics (KSAOs) and mutability for the training and development of global leaders. In the framework, Caligiuri (2006) noted that the knowledge of leaders, which is very mutable, could be enhanced by didactic interventions such as books, cross-cultural training, and language classes. Also, those with skills, abilities, and personal characteristics that are less mutable will do well with experiential (coaching, mentoring) and intensive experiences (international assignments) interventions.



Similarly, global leaders can be developed by putting them at the heart of a foreign country's culture, political, and economic activities; diverse international global teams; leadership training programs; and overseas assignments through rotation (Gregersen, Morrison, & Black, 1998). Also, Thorn (2012) found out that leadership training development programs need to include international travels, rotational assignments, leader shadowing, leadership education, among others. Developing global leadership competencies through self-awareness development, didactic training, experiential opportunities, and immersions are approaches organizations could use (Cumberland et al., 2016).

Developing global leadership competencies takes time and thus requires a conscious organizational design of developmental activities and roles that will provide opportunities for leaders to have transformational experiences as well as the commitment of participating leaders (Mendenhall et al., 2017). These leadership training and developments propositions are quite similar and share the common objective to make global leaders more effective. That said, Maznevski and DiStefano (2000) noted that global leaders could be developed through teams for leadership roles in the future. In such team settings, leadership can be developed through effective team charter, composition, and processes (Govindarajan & Gupta, 2001) to prepare individuals for the global leadership challenges ahead.

## 6. GLOBAL TEAM MANAGEMENT

Global leaders do not operate in isolation; they work with other individuals and groups scattered across different countries. Globalization has rapidly driven team-based systems in multinational corporations, and the success of a global team is based on individual interactions and organizational elements (Biermeier-Hanson et al., 2015). According to Gabrielsson, Seristo and Darling (2009) people are the most important assets of any organization and the management of people and by extension teams across geographical and cultural boundaries for effectiveness is what successful global management is all about. Similarly, Govindarajan and Gupta (2001) pointed out that multinational corporations cannot take advantage of economies of scale or leverage knowledge transfer without effectively managing global teams. Thus, the management of global team cannot be emphasized enough.

According to Maznevski and DiStefano (2000), teams implement decisions in organizations and provide a platform where future leaders can be developed. As a result, global leaders must develop their teams along the lines of acculturation, communication, and integration of skills for success (Biermeier-Hanson et al., 2015). Similarly, Gabrielsson et al. (2009) also proposed seven perspectives for team development vis-à-vis fostering the use of both the left and right sides of the brain in decision-making; conjure positive emotions through internal reflections; alignment of perceptions and dreams through intentional focusing; use of intuition; collaboration; embracing complexity and change; and respecting others in actualizing operational success. These approaches to team development are opportunities for organizations to equip individuals at the team levels with the knowledge and skills that could become valuable when they are promoted to lead a global division or unit.



## 7. CONCLUSION

Effective global leadership is crucial in our world today, given the increased rate of globalization driven by information and communications technology. Global leaders play important roles in the organization and function at a broader level of making worldwide plans and dealing with diverse international individuals and groups. Effective global leadership requires that leaders possess certain competencies and traits such as business and cultural knowledge, problem-solving skills, interpersonal skills, and disposition to openness and extraversion in the discharge of his/her duties.

These competencies can be developed with the right interventions such as educational courses, leadership training, international rotational assignments, and so on. Also, the understanding of the mutability of knowledge, skills, abilities, and other characteristics of individuals is important for organizations in the tailoring of training and development interventions for leaders. Most importantly, global leaders must recognize the significance of global teams and the platform it offers in the development of future global leaders.

## REFERENCES

1. Ademola, E. O. (2017): A synergy for global forms of organizing. *Advances in Computing, Information Systems, Development Informatics & Allied Research Journal*, 8(1) 11–14. Retrieved from [www.cisdijournal.net](http://www.cisdijournal.net)
2. Adler, N. J. (1997). Global leadership: Women leaders. *MIR: Management International Review*, 171-196. doi:10.1007/978-3-322-90987-9\_10
3. Ali, J. A. (2001). Globalization: The great transformation. *Advances in Competitiveness Research*, 9(1), 1-9. Retrieved from [www.questia.com/library/p1728/advances-in-competitiveness-research](http://www.questia.com/library/p1728/advances-in-competitiveness-research)
4. Biermeier-Hanson, B., Liu, M., & Dickson, M. W. (2015). Alternate views of global leadership: Applying global leadership perspectives to leading global teams. In J. L. Wildman & R. L. Griffith (Eds), *Leading global teams* (pp. 195-223). doi:10.1007/978-1-4939-2050-1\_9
5. Bird, A., Mendenhall, M., Stevens, M. J., & Oddou, G. (2010). Defining the content domain of intercultural competence for global leaders. *Journal of Managerial Psychology*, 25(8), 810-828. doi:10.1108/02683941011089107
6. Brynjolfsson, E., & McAfee, A. (2015). The digitization of just about everything. *Rotman Management*, 38-42. Retrieved from [www.rotmanmagazine.ca/](http://www.rotmanmagazine.ca/)
7. Cabrera, A. (2012, April 19). What being global really means. *Harvard Business Review*. Retrieved from <https://hbr.org/2012/04/what-being-global-really-means>
8. Caligiuri, P. (2006). Developing global leaders. *Human Resource Management Review*, 16(2), 219-228. doi:10.1016/j.hrmr.2006.03.009
9. Caligiuri, P., & Tarique, I. (2009). Predicting effectiveness in global leadership activities. *Journal of World Business*, 44(3), 336-346. doi: 10.1016/j.jwb.2008.11.005
10. Canals, J. (2014). Global leadership development, strategic alignment, and CEOs commitment. *Journal of Management Development*, 33(5), 487-502. doi:10.1108/JMD-02-2014-0014
11. Cumberland, D. M., Herd, A., Alagaraja, M., & Kerrick, S. A. (2016). Assessment and development of global leadership competencies in the workplace: A review of literature. *Advances in Developing Human Resources*, 18(3), 301-317. doi:10.1177/1523422316645883
12. Dunn, T. E., Lafferty, C. L., & Alford, K. L. (2012). Global leadership: A new framework for a changing world. *S.A.M. Advanced Management Journal*, 77(2), 4–14. Retrieved from [www.samnational.org/publications/sam-advanced-management-journal/](http://www.samnational.org/publications/sam-advanced-management-journal/)
13. Gabrielsson, M., Seristo, H., & Darling, J. (2009). Developing the global management team: A new paradigm of key leadership perspectives. *Team Performance Management*, 15(7/8), 308-325. doi:10.1108/13527590911002104
14. Ghemawat, P., & Vantrappen, H. (2015). How global is your C-suite?. *MIT Sloan Management Review*, 56(4), 73 – 82. Retrieved from [http://ilp.mit.edu/media/news\\_articles/smr/2015/56407.pdf](http://ilp.mit.edu/media/news_articles/smr/2015/56407.pdf)
15. Govindarajan, V., & Gupta, A. K. (2001). Building an effective global business team. *MIT Sloan Management Review*, 42(4), 63 – 71. Retrieved from <http://sloanreview.mit.edu/article/building-an-effective-global-business-team/>
16. Graf, M., Schlegelmilch, B. B., Mudambi, S. M., & Tallman, S. (2013). Outsourcing of customer relationship management: Implications for customer satisfaction. *Journal of Strategic Marketing*, 21(1), 68-81. doi:10.1080/0965254X.2012.734844
17. Gregersen, H. B., Morrison, A. J., & Black, J. S. (1998). Developing leaders for the global frontier. *Sloan management review*, 40(1), 21- 32. Retrieved from <http://sloanreview.mit.edu/article/developing-leaders-for-the-global-frontier/>

18. Hill, C. W. L., Schilling, M. A., & Jones, G. R. (2017). *Strategic Management: Theory & Cases: An Integrated Approach* (12th ed.). Boston, MA: Cengage.
19. Hirt, M., & Willmott, P. (2014, May). Strategic principles for competing in the digital age. *McKinsey Quarterly*. Retrieved from [www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/strategic-principles-for-competing-in-the-digital-age](http://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/strategic-principles-for-competing-in-the-digital-age)
20. Maznevski, M. L., & DiStefano, J. J. (2000). Global leaders are team players: Developing global leaders through membership on global teams. *Human Resource Management*, 39(2, 3), 195 – 208. doi:10.1002/1099-050X(200022/23)39:2/3%3C195::AID-HRM9%3E3.3.CO;2-9
21. Mendenhall, M. E., Osland, J., Bird, A., Oddou, G. R., Stevens, M. J., Maznevski, M., & Stahl, G. K. (Eds.). (2017). *Global leadership: Research, practice, and development*. New York, NY: Routledge.
22. Mendenhall, M. E., Reiche, B. S., Bird, A., & Osland, J. S. (2012). Defining the “global” in global leadership. *Journal of World Business*, 47(4), 493-503. doi:10.1016/j.jwb.2012.01.003
23. Osborn, R. N., Hunt, J. G., & Jauch, L. R. (2002). Toward a contextual theory of leadership. *The Leadership Quarterly*, 13(6), 797-837. doi:10.1016/S1048-9843(02)00154-6
24. Panarin, A. S. (2014). Globalization. *Value Inquiry Book Series*, 276(2), 29-231. Retrieved from [www.brill.com/products/series/value-inquiry-book-series](http://www.brill.com/products/series/value-inquiry-book-series)
25. Reiche, B. S. (2015). An integrative approach to cross-border expansion: The role of global leadership. *The Center for Global Enterprise*, 1-37. Retrieved from <http://thecge.net/wp-content/uploads/2016/01/The-Role-of-Global-Leadership-for-Cross-Border-Expansion.pdf>
26. Ricart, J. E., Sieber, S., & Svejnova, S. (1999). Forms of organizing: What is new and why? *IESE Business School*. 38. Retrieved from <https://ideas.repec.org/p/ebg/iesewp/d-0381.html>
27. Rothaermel, F. (2019). *Strategic Management* (4th ed.). New York, NY: McGraw-Hill.
28. Thorn, I. M. (2012). Leadership in international organizations: Global leadership competencies. *The Psychologist-Manager Journal*, 15(3), 158- 163. doi:10.1080/10887156.2012.701130
29. Wilson, E. J. (2004). Leadership in the digital age. In Goethals, G., Sorenson, G. & MacGregor, B. (Eds.), *Encyclopedia of leadership* (pp. 858-861). Thousand Oaks, London.