

**Global Competencies for Leading a
Multinational Company:
A Case Study of Leadership in Action**

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CERTIFICATION OF THESIS

I certify that the substance of this thesis has not already been submitted for any degree and is not currently being submitted for any other degree or qualification.

I certify that any help received in preparing this thesis and all sources used have been acknowledged in this thesis.

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Cornelia D. Cohrs

ABSTRACT

This study focused on global leadership, a newly emerging and what proved to be a fascinating field to research. The essential aim of the study was to identify the activities, core competencies and skills needed by leaders of multinational companies (MNCs), how they acquire these and what strategies might ensure that their training and development as global leaders are effective. Also, as such leaders are highly sought after, a secondary aim was to explore means by which MNCs might recruit suitable candidates for these highly complex and challenging roles.

In order to ascertain what the tasks of global leaders of MNCs actually involved, an exploratory case study was chosen for the research design, principally because it had the advantage of making use of multiple data collection tools, thus offering the chance to triangulate data. Shadowing global leaders, Chief Executive Officers of the selected MNC in this case, offered the researcher the special privilege of observing their actions on a day-to-day basis first-hand. Semi-structured interviews with these CEOs and other leaders in the company also proved a valuable means of collecting additional rich data about what the work of global leaders actually involved. Literature searches and content analysis augmented other data collection methods. Shadowing was found to be the most effective research tool by far for examining global leadership owing to the richness of the data it produced but also and significantly, because the findings from the shadowing exercise generated a much more complex picture of global leadership than that found in the literature.

Findings identified numerous competencies needed for effective global leadership, but out of these, six core competencies stood out from the rest. These were ranked in order of importance, something which has not appeared in any study on global leadership recorded in the literature to date. The top core competency of clear and concise communication was identified as the most important global leadership competency and was followed by the two second-order competencies – excellent learning skills and successful trust-and relationship-building. Three third-order competencies were identified as leadership in building multicultural and remote teams, superior degrees of sensitivity and adaptability, and the ability to deal effectively with complexity, diversity and turbulent environments.

Furthermore, indications were that the most effective way these key competencies could be acquired by global leaders was by having extensive experience in cross-cultural settings and via trial-and-error learning. An iterative learning framework was developed from this study's findings which are aimed to address these learning needs. Also emanating from this study and conceptually linked to the learning framework, is a model which MNCs should find useful for identifying and recruiting suitable candidates for global leadership.

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LIST OF ABBREVIATIONS

AG	Aktiengesellschaft (German for public limited company)
CEO	Chief Executive Officer
ECA	Ethnographic Content Analysis
FDI	Foreign Direct Investment
GFC	Global Financial Crisis
GmbH	Gesellschaft mit beschränkter Haftung (German for limited liability company)
IB	International Baccalaureate
KGaA	Kommanditgesellschaft auf Aktien (German for commercial partnership limited by shares)
MNC	Multinational Company
NAFTA	North American Free Trade Agreement
R & D	Research and Development
Telco	Telephone Conference